Our cheap-power dream: p. 15

Sir Beverley Baxter: p. 9

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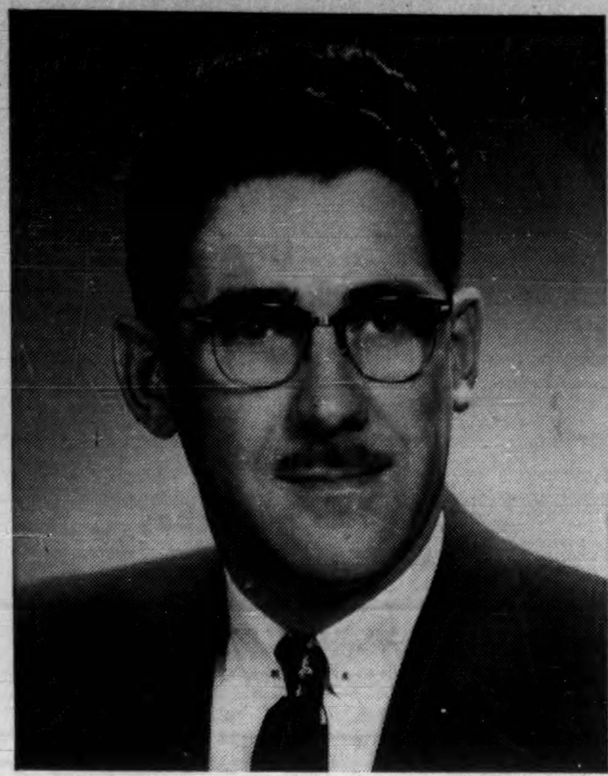
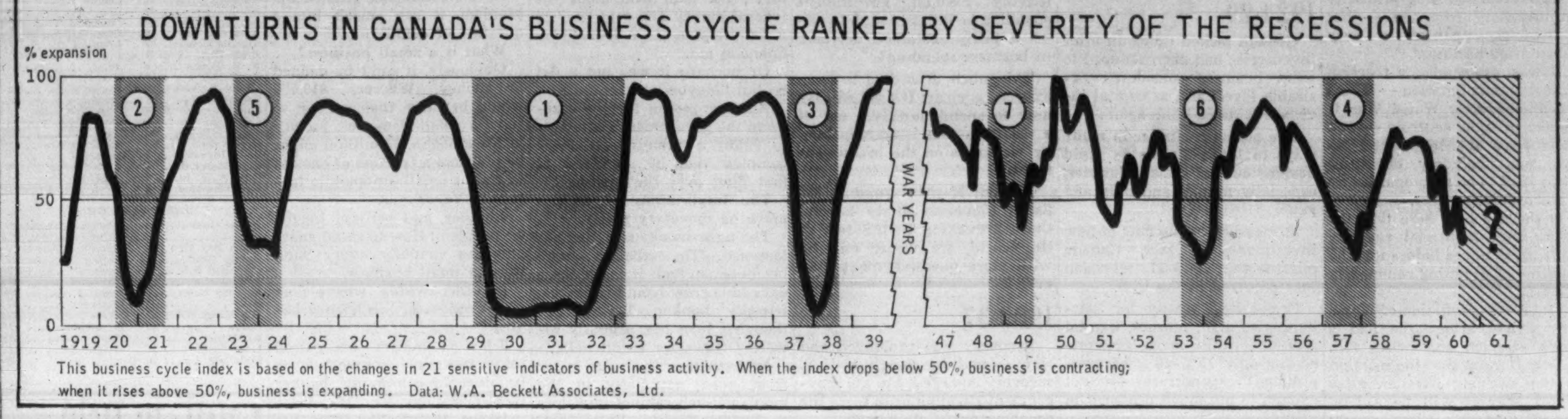
Electronics at Crossroads



Canada's $400 million electronics industry wants a better deal in defence sharing with the U. S. James Key, recently elected president of the Electronic Industries Association of Canada, was to present a brief on this subject to the federal government this week. General Manager of Aerovox Canada Ltd., Hamilton, Key heads the 114-member association as it approaches a crossroads: challenged by imports, encouraged by possible exports (see p. 7).



This business cycle index is based on the changes in 21 sensitive indicators of business activity. When the index drops below 50%, business is contracting; when it rises above 50%, business is expanding. Data: W.A. Beckett Associates, Ltd.

NATION'S BUSINESS

They're Talking Up The Next Tax Bite

Cynicism and mistrust may well be the attitude of most Canadian taxpayers as they see the torrents of oratory spouted at this week's federal-provincial meetings in Ottawa.

As we all well know, this is just the fractious beginning of days, weeks and months of financial big-talk before new federal-provincial tax agreements are signed.

But there are three basic points for the citizen to remember if he wants to keep this affair in perspective.

First, this is a row of professionals who want not only to divvy up the tax pie differently but who are almost certain to end up asking for a bigger pie as well. All the money being fought over comes from the citizen and it is almost certain that from this rumpus, the citizen will come out badly.

Second, the Canadian constitution is terribly out of date in the light of present day needs and these conferences are simply temporary tinkering. They are mainly a device for avoiding or postponing settlement of basic problems.

Inevitably, federal - provincial financial conferences are like a bitter, acrimonious wage-bargaining dispute where everybody starts demanding far more than they really hope to get. This national charade is faithfully, ritualistically acted out every few years—and none but the naïve will take at face value the current claims that without more money utter disaster will befall any of the claimants.

Third, in this dog fight as to who gets the blood from the taxpayers, the level of government most needing relief—the municipal—is ignored. Yet it is at the municipal level that government spending has the most to do with the personal lives and comfort of every taxpayer. It is by their communities that civilizations are judged.

It is clear that in this day of big government, a great deal of government expenditure cannot be justified. Extravagant and careless use of tax money is an inherent characteristic of any individual or group spending money from an apparently limitless and self-replenishing pot. Waste of 1% is easy and it looks innocent, but at senior levels of government expenditure 1% means an enormous sum.

By far the greatest opportunities for fatuous policies and major waste are at the federal government level. Both possibilities are considerably smaller at the provincial level and rather minor at the municipal level. The municipalities, in short, can't get away with any major nonsense for long. Their iniquities are too readily apparent.

The Prime Minister and the 10 premiers, given the roles in which Confederation has cast them, must fight for all they're worth if they are to discharge their responsibilities.

But the wise taxpayer will be well justified in his expectation that the end result of this hullabaloo will be that the sundry and assorted taxmen will be taking a bigger bite out of his tender hide.

* * *

Improved, But Still Screwy

Long overdue changes in the commissions that clients pay brokers when buying and selling stocks have been announced by the Toronto and Montreal stock exchanges.

But the new charges still leave a hodge-podge of commission rates only slightly less complicated and illogical than before.

Until last week, if you invested $1,000 in a mining stock selling for $1 a share, you paid your broker $20 for his services. If you put the $1,000 into a $1-per-share industrial stock, you had to pay him twice as much—$40.

Now, all commission rates on mines, oils and industrials will be the same, at any given price level.

Between price levels, however, there is still wide variation in the charges. You pay as little as $5 commission for $1,000 purchase or sale of stocks selling for $120 per share or over. You pay $30 if the stock is at $5 a share, $8 if it sells for $50 a share.

What possible logic is there is charging six times as much for one transaction as for another, when the amount invested in both cases is the same? Where is the difference in cost of handling?

While they were at it, the stock exchange governors should have put the whole commission rate structure on a sensible basis, instead of fixing just one part of it. They should go back and do the job properly.

THE OUTLOOK

The Anatomy of Recession: How the Indicators Whisper

By DALTON ROBERTSON

FEW BUSINESSMEN or business analysts are worried about the short-term prospects. The evidence of our eyes shows that this, indeed, is prosperity.

But there is growing speculation that Canada is close to another flip-flop in the business cycle — and the long-term view is that the 1960s may well be a period of slower growth than were the 1950s.

Look, for example, at the evidence presented by a set of 21 sensitive indicators which, in the past, have charted the business cycle's ups and downs with accuracy. (These include seasonally-adjusted building contracts, stock prices, new orders, employment, unemployment, production, inventories, prices, retail trade, exports, imports and other key guideposts to over-all trends.)

These indicators now point to recession — as they did in 1920, 1923, 1929, 1937, 1948, 1953, 1957.

Over half of the 21 are now on the downgrade and in the past when 50% were declining it has meant that the economy was entering or was actually in a period of contraction.

Could they be wrong this time?

Certainly — but for the economy to get up another head of steam, businessmen would have to decide to build inventories or boost their capital spending (or both) — or the consumer would have to start off on a spending splurge.

Available opinion doesn't suggest any of these are likely.

The businessman who is trying to size up the long-term prospects would be well advised to consider the anatomy of recession since 1919 and look at the real dynamics of business growth, especially inventories and capital spending.

As many analysts point out, it's not only a matter of noting how fast or how slow leading indicators change pace—but the level of business activity in relation to what the economy could produce if it were going full steam ahead.

Right now, it is increasingly clear that the Canadian economy may be starting off into some kind of weakness at a level of activity well below capacity and starting from less than full employment.

How far we are now from all-out operations may well be an indicator of how deep and how lasting the next recession will be.

* * *

Since 1919, there have been eight booms of varying size — and as the chart shows, there have been seven recessions.

The most severe, of course, ran from mid-1929 to early 1933. The least severe was the minor setback in 1948-49.

Here, in brief, are the characteristics of past recessions and recovery. They tell us a lot about what's happening now

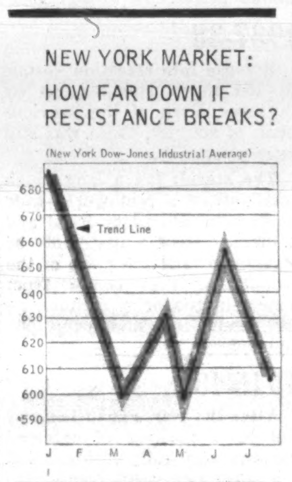
(Continued on page 2, col. 1)

Why They're 'Frantic' About N.Y.

By W. L. DACK

Canadian investors this week are following the hour-by-hour action of the New York Dow-Jones industrial average with frantic interest.

What happens to this key market barometer now could very well spell the general market direction over the next couple of months.



Canadian markets will be vitally affected.

Twice this year—on March 8 and again on May 22—persistent market declines were halted at the 600 level on the D-J averages.

In each case the market was then able to negotiate worthwhile recovery moves (see chart).

Now, for the third time a

(Continued on page 8, col. 5)

Not Much Joy for Canada In Republicans' Platform

By C. KNOWLTON NASH

CHICAGO — There is no joy for Canadian exporters in the new Republican party platform.

In one short paragraph devoted to trade, the Republicans this week laid most of their emphasis on the need to get trade concessions from other countries but at the same time to keep the protectionist escape hatches wide open for U. S. domestic industries.

"We advocate effective administration of the (Reciprocal Trade Agreements) Act's escape clause and peril point provisions to safeguard American jobs and domestic industries . . .," the platform says.

The Republican platform is even more hesitant on liberal trade policies than was the Democratic platform agreed upon in Los Angeles two weeks ago.

U. S. political conventions are hardly a place where advocates of freer trade have much influence.

Generally only lip service is paid while the emphasis is on protecting U. S. jobs and U. S. industries against the foreigner.

The 1960 political conventions have thus run true to form.

The labor unions were successful in selling to both the Democrats and Republicans a platform plank saying Washington will, in effect, try to get other governments to raise pay standards in their countries.

The Republican plank says, "We should also encourage the development of fair labor standards in exporting countries in the interest of fair competition in international trade."

How Washington would go about trying to raise the pay of foreign workers was not explained, although it presumably would make some efforts through the International Labor Organization (ILO).

As the Democrats did two weeks ago, the Republicans have passed a platform that had bad news for Canadian farmers.

It calls for an "intensification" of the U. S. cut-rate farm surplus disposal program, which has got rid of more than $15 billion worth of farm surpluses in the world market over the last half-dozen years.

Another plank of interest for Canada in the Republican platform is the encouragement it gives to establishment of regional economic blocs around the world. It does not spell out, however, as New York Governor Nelson Rockefeller had wanted, a western hemisphere common market.

The platform, in fact, shies away from direct U. S. involvement in any regional economic groupings.

"We will encourage," it says, "the countries of Latin America, Africa, the Middle East and Asia, to initiate appropriate regional groupings to work out plans for economic and educational development."

The absence of any mention of direct U. S. participation may bode ill for the current effort to form an organization for co-operative economic development which Canada has joined in trying to set up.

$2 Million Quebec Plant For Pigment

By ERIC RICHTER

MONTREAL (Staff) — A $2-million small-scale plant for production of titanium dioxide from Quebec ores by a new process is planned by **Continental Titanium Corp.**

Using a new continuous pressure leaching process developed by its vice-president, Nicholas Soloducha, plant would be in Baie St. Paul area, 60 mi. east of Quebec City.

New process is said to be as much as 30% cheaper than present batch leaching processes.

Initial production, in mid-1961, would be 10 tons per day of almost pure titanium dioxide.

This is used as white pigment for paint, and also has other applications in rubber and plastics industries.

Plant would use automated techniques to refine Quebec ilmenite ores which are not usable in the batch method.

Company formerly was known as **Continental Iron & Titanium Mining Ltd.** It has been producing heavy aggregates.

Part of the cost of the initial project will be covered by an issue of $500,000 7% six-year debentures with stock purchase warrants being underwritten by **La Maison Bienvenu Ltée**, Montreal and **Industrial Holdings Corp.** of New York.

Each $500 bond will carry warrants for purchase of 250 common shares at $1 per share. Recent market over-the-counter: $1.10 bid.

Don't Give Up: Small Business Help Still Due

Watch for some kind of action by September on federal aid for small business . . .

By DON PEACOCK

OTTAWA (Staff)—Confidential memo to small business:

Are you still waiting for those 1957-58 election promises of government help to take form?

Such as in new credit sources for your struggling retail outlet or fledgling manufacturing business? (See p. 18.)

Settle down. The wait isn't over. It isn't necessarily hopeless yet, either.

There appears to be a lull in discussions of a top-level interdepartmental committee of civil servants and cabinet ministers in search of a solution to small business problems.

But informants say small business breezes should begin blowing about the committee again perhaps in September.

In case you were unaware of it, this committee produced a plan concrete enough to go before cabinet early this year.

There were some in the capital who thought at the time—late January—that it was only a matter of weeks before the plan would be announced, either by Trade Minister Churchill or Prime Minister Diefenbaker

(Continued on page 2, col. 4)

Signs & Portents

SOUP MARKET drying up? Watch for entry of two major Canadian soup canners, **H. J. Heinz Co. of Canada** and **Campbell Soup Co.**, into dehydrated soup field. Another Canadian firm, **Stuart House Products Ltd.**, only recently entered the powdered soup market. The largest European soup manufacturer, **Knorr-Swiss**, will soon offer a competitive product in Canada.

* * *

WATCH FOR first real attempts to introduce automobile anti-smog devices in Canada. Toronto Metro officials, after studying moves in U. S. to curb noxious fumes from car tailpipes, will recommend program of action. Buses may be first to be de-stinked, then passenger cars.

* * *

LOOK FOR possible major shifts of ownership in large established Canadian mining concerns. There's talk that impressive blocks of long-held stock may be put on the market as a second generation owners move into new fields and old-timers shift their investments for estate purposes. Some big international mining outfits are on the lookout.

* * *

HOME-MADE WINE now exceeds domestic commercial production. Survey of juice-grape vendors shows 25% jump this year in home wine-making. Canadians drink four times as much of their own product as domestic or imported table wines. Last year, 1,050 railway cars of juice grapes were imported from California and sold in Central Ontario. Imports will be up this year.

Good News for Travelers In New Airline Hearings?

By CLIVE BAXTER

Executive offices of Canada's airlines were the scenes of frantic activity this week.

The result would be good travel news for Canadians right across the country.

After a delay of roughly 18 months, the Air Transport Board is back in the business of hearing applications for secondary services — the network of smaller lines that feed into mainline traffic points.

The news was welcomed by airmen. There has been a long pause while Transport Minister Hees awaited a confidential report to be made by his staff on the health and future of the lines.

The board at first announced hearings for Quebec City, Montreal, Ottawa and Winnipeg starting in mid-August.

However, the scramble to get new applications into Ottawa by the deadline — plus the race to update applications that had been gathering dust for months — has forced the board to delay everything for about a month.

New dates will be announced soon.

"We found that there were far more people with applications than we had expected," Paul Davoud, chairman of the ATB, told FP this week. "It now seems certain that we are going to have to schedule more hearings."

In the weeks following mid-September it now seems likely that there will be hearings at centres from Vancouver to the Maritimes.

The results will make important news for all Canadians. Two key areas to be examined:

● **The proposed "Seaway Route".**

This would link Montreal and Toronto via a number of midway points, giving residents of eastern Ontario new connections

(Continued on page 8, col. 4)

Canada, Australia Plan To Study Small Reactors

By LESLIE WILSON

OTTAWA (Staff) — You can look for an agreement soon between Canada and Australia to do research together on small nuclear reactors.

Whether the two countries will build a reactor, or merely study costs, hasn't been decided.

Reason for Canada's interest: The research will yield know-how helpful in opening up mineral deposits in parts of the N.W.T. far from other fuel sources.

Australia is even more interested, and for a like reason.

At present, many potential mineral areas in northern Canada could be powered by oil-fired diesel generators, or by hydro power, more cheaply than by nuclear power. This may not be true in the future because of changing relative power costs.

There are potential mineral areas in central Australia where no hydro power is available, and oil costs would be prohibitive.

Nuclear plants of 50,000 to 70,000 kw might produce the cheapest power now.

Hopes held by some officials here that nuclear power plants would be generally competitive now with oil-fired diesel generators in the Canadian north have been dashed by a new **Canadian Westinghouse** study commissioned by **Atomic Energy of Canada Ltd.**

Westinghouse spent a year working out costs of building a nuclear plant of just the right size to cover heating and power needs of Frobisher Bay on Baffin Island (pop. 1,500).

The conclusion:

● **An atomic plant** that would produce the 19,500 kw required would cost $6.5 million to $7.5 million to build, and $974,000 a year to run.

● **A comparable diesel** plant would cost $3.7 million to build, and $804,000 a year to run.

The report gives cost figures under northern conditions for two kinds of nuclear plants (boiling water and pressurized water) in sizes ranging from 2,000 kw to 40,000 kw.

The Anatomy of Recession: How the Indicators Whisper

(CONTINUED FROM P. 1)

and what's likely in the early 1960s.

1920-21

This recession was primarily an inventory recession — but it was accompanied by very sharp price declines.

It was, essentially, a reaction from wartime inflation — which we missed after World War II thanks to tight controls — and aside from the big depression this was the only downturn since 1919 to be accompanied by a downslide in prices.

Is there a hint here that the 1960s with industrial capacity built up as never before may be a period of declining commodity prices?

The roaring inflation of World War I and afterwards had a sharp reaction and prices fell.

Does it mean that the reaction to the creeping inflation after World War II will be a long period wherein prices slowly drift down?

1921-23

As inventories were worked off, as construction activity picked up and as wholesale prices stabilized at about half earlier levels **the great era of "normalcy" got under way.**

There was no more price speculation, business planning was based on better inventory planning — and business began to invest steadily in developing the auto industry, the electric industry, radio and, in short, capitalizing on new innovations.

1923-24

This brief recession was the result of mistaken ideas about potential sales — there was a mild downturn until inventories were reduced.

Prices showed little change. Hardest hit was the housing industry because the Canadian economy was catching up on the postwar backlog of housing demand.

1924-29

Growth picked up again after inventories had been reduced to what business considered desirable levels and as capital investment took hold again.

The period is similar in many ways to 1950-56 with its rapid development of basic industries, especially mining and pulp and paper.

So steady was the flow of new investment, in fact, Canada missed the 1926-27 recession that occurred in the U. S.

Prices held steady for, perhaps, two main reasons. Capital spending, while large, accounted for only 15%-20% of gross national expenditure — not enough to put much pressure on prices.

By contrast, spending over much of the late 1950s climbed over 25% of GNE — and put pressure on prices.

At the same time, 1921-29 was a period of remarkable steadiness in world commodity prices — and with exports and imports relatively more important then than currently, Canada's price levels couldn't step far out of line.

Money wages held reasonably steady — but with fast-rising productivity, "real" wages rose quite substantially.

Is there a suggestion here that in the 1960s, Canadian prices had better keep in line with increasingly stable world prices if real gains are to be made by Canadian workers?

1929-33

The great crash. It started innocently enough with an inventory recession — **but it was basically the first big capital spending recession.**

After five years of steady buildup in new plants and machinery, Canada wound up with too much capacity — and did so just as many other countries found themselves in the same position.

There hasn't been a real capital investment recession since — but to some observers the recent world-wide buildup in capacity suggests that the 1960s may see a slower pace of business spending, if not an actual decline in capital investment.

But in the next recession, if and when it takes place, one of the factors aggravating the 1929-33 downturn will be missing.

Government spending is likely to rise to offset decreasing private spending.

By contrast: In 1929-33, typical government attitude was either:

(1) "Do Nothing", the economy will right itself, prosperity is just around the corner or . . .

(2) "Be Businesslike", cut government spending back to equal falling government revenues. Result was less purchasing power throughout the economy and so the downward spiral went.

There would now, let it be granted, wiser public policies. But if the recession were lengthy could government spending be great enough to offset a fairly sustained decrease in business spending?

This much, according to some experts, is clear: **It's not so easy now to spend ourselves out of a recession that is accompanied by weakness on the investment front.**

Reason: If such spending inflated Canadian prices beyond those prevailing in the rest of the world, we would end up with more unemployment than ever.

1933-37

Recovery was prolonged and slow — and due mostly to U. S. recovery sparked by the government stepping in to force the economy out of its trough.

Government for the first time began to stimulate activity by bigger public spending on relief and make-work projects.

And the U. S. "reflated" the economy by cutting the price of gold. Lower gold prices meant the value of money was lower, the value of existing plant was lower — but the value of current production was higher vis-a-vis the value of the capital already produced.

Net result: Production costs were lower and business could begin speculating on price increases and begin spending on inventory as a hedge against higher prices.

1937-38

Relapse into recession — due to too much stocking up by business. Even at the previous peak of activity, there was still excess capacity.

The moral: It's a long tough road out of a real world-wide depression and fancy fiscal and monetary tools may not be enough to take the place of the stimulation that comes from honest-to-goodness technological innovation and consumer demand.

1946-48

After the war, expansion was fed by a backlog of deferred demand and both business and the consumer spent freely. Inflation was of the walking variety compared with the galloping inflation after World War I.

1948-49

Inventory recession of mild effect — the backlog was being met just a bit faster than business had calculated.

Import controls insulated Canada somewhat and the sudden weakening of world commodity prices was even enough to have an effect on Canadian prices of finished goods.

1950-53

The 1950s started as a nice "normal expansion", much, indeed, as the expansion after 1922.

Then Korea created a terrific demand for basic materials. Businessmen and consumers alike began to stock up to avoid future shortages. Defence spending mounted sharply — and so did prices.

1953-54

Too much, too fast in the previous period and so another minor inventory adjustment.

It was complicated and aggravated by some decrease in defence spending in the U. S. and Canada.

1955-57

This was an investment boom based on "civilian" demand — resources, Seaway, roads, schools, office buildings utilities loomed greater in capital outlays than ever before.

The period was much like the later years of the 1920s when hotels were being thrown up across the country.

1957-58

The gentle recession — due to inventories but complicated by sharp quarter-to-quarter cutbacks in capital spending.

The warning? Beginning in 1957, the proportion of national production going into capital spending began to fall.

Is this a signal that a major, long-term upswing period was coming to an end?

1958-60

Much of the recovery due to a pickup in inventories and rising consumer spending. Recovery and expansion were topped off in 1960 by a level of capital spending higher than that in the previous year.

* * *

What's happening right now? At the moment, inventories are showing signs of piling up a little too high for comfort. Consumer spending is lagging along. Exports, granted, are doing well.

But if capital spending, public and private, shows a quarter-to-quarter sag when Ottawa releases its accounting of economic activity in the second quarter, this could be a sign of recession, according to economists.

If there's an increase, count on a six-month extension of the current expansion.

Those who are bearish about the immediate future say:

1. Look for more emphasis on [illegible] long as the housing market can take it.

2. Aside from housing, look for little shift in public policy until the end of the year by which time Ottawa will be surer of economic prospects.

3. **Watch for powerful pressure for more protection** for secondary industry which is being adversely affected by foreign competition.

* * *

On the assumption that Canada's business cycle will sooner or later turn down again, **FP** asked several respected observers of business cycles this question:

What is the best thing for an economy and an individual company to do to find the road back to recovery?

Most answers stressed the importance of government action via the budget and monetary policy in re-stimulating the economy. Export stimulants were also suggested as was special tax relief to encourage installation of more efficient machinery.

One answer that puts the stress elsewhere:

"Government action is, of course, important. But in a world of stable prices and overcapacity it may be limited by the possibility of creating inflation instead of stimulating growth.

"The dynamics of real growth lie in the development of new products, new industrial techniques.

"For instance, the big advance in the 1920s was due to the commercial development and innovation of what had recently been on the drawing boards of the inventors and dreamers. Radio, for example.

"We seem to be running out of researched products ready for industrial runs.

"It would be a good idea to encourage more government spending on applied research — and certainly the company that starts spending on new products and processes is likely to fare best in the 1960s."

COMPRESSED AIR

Railway & Power Engineering Corp., Toronto and Montreal, has been appointed distributor for Crown compressed air system units made by the **Hannifin Co.** division in Des Plaines, Ill., of the **Parker-Hannifin Corp.**, Cleveland, Ohio.

Help for Small Business Said Still on the Way

(CONTINUED FROM P. 1)

himself, with appropriate fanfare.

One apparent reason why it wasn't: Finance Minister Fleming.

It is grumbled in some quarters now that in Fleming's zeal to shrink government expenditures, the man who holds the federal money bag said "no" to a definite plan of small-business financial aid.

Or perhaps it was not a flat no but "Maybe later".

Another reason for the ease-up in the government's attempts to fulfill a promise far more complex than it appeared at first fling over the hustings:

The implications of such a move on monetary policy.

The tight-money situation has loosened. The efficient small businessman finds it easier these days to borrow from his nearest friendly banker. Thus his thoughts turn less urgently toward Ottawa for credit help.

Nevertheless, the issue is far from dead, especially in the minds of such cabinet ministers as Justice Minister Fulton and Resources Minister Alvin Hamilton.

And it's just possible that when Churchill gets around to convening another committee meeting at summer's end, it will think of a way to pry Fleming's fingers loose from the strings of the public purse.

These are said to be the main facets of the committee plan:

- **Government guarantees** on term loans to retailers and wholesalers for three to five years from the chartered banks—along lines of existing government-guaranteed home and farm improvement loans and loans to fishermen.
- **Expansion** of the crown-owned Industrial Development Bank's operations — perhaps empowering it to use chartered banks as its agents — to give small manufacturers, in particular, better credit facilities.

As the committee studied the problem, it ran smack into a question of definition:

What is a small business?

Obviously, it can't be defined in money. Whereas $10,000 would be more than enough to start a small fish-stick factory in Nova Scotia, $1 million might be far from a fraction of enough to start a small automobile factory in Vancouver.

Another, and perhaps tougher, problem: How to avoid guaranteeing virtually every bank loan to small business.

In other words, where does subsidization of inefficiency begin?

The committee recognized that this, of course, is a problem the community banker faces every day.

Hence the feeling that the most efficient means of providing new credit aid would be through established channels—by drawing as much as possible on the intimate knowledge only the local bank branch manager can have about local loan prospects.

Various business interests and organizations have told the government bank overdrafts—a favorite source of credit at present, along with indefinite-term call loans—have obvious disadvantages for the small businessman unable to float a bond issue or some such in the market.

This is an indefinite arrangement. You never know when the bank—squeezed by changing economic conditions—might be forced to call.

From arguments like this, the committee is believed to have been convinced there is a gap in Canada's credit facilities.

For the moment, at least, the question seems to be: When will Fleming feel the government can afford the money to fill the gap?

Look For It Here

(July 30, 1960)

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CMHC to Help Co-op Housing In P.E.I. Plan

Agreement has been reached between the federal government, Central Mortgage & Housing Corp., the Prince Edward Island provincial government and the provincial housing commission, to aid co-operative house building in P.E.I.

Individuals who want to build their own homes can form a co-operative company and apply to the province for financial assistance.

Funds will be advanced to the company during the construction period with CMHC providing 75% of the required amount and the province 25%.

During construction, title to the land will be held by the provincial housing commission.

When construction is completed, a blanket mortgage will be taken in the name of the housing commission with the individual members of the co-op repaying their share of the mortgage debt over a period of 25 years.

A similar federal-provincial agreement provides aid to co-op housing in Nova Scotia.

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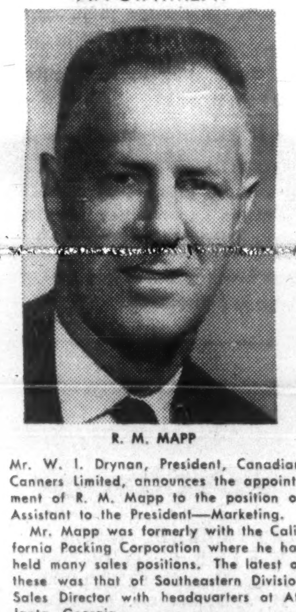
ANNOUNCEMENT

CANADIAN CANNERS APPOINTMENT



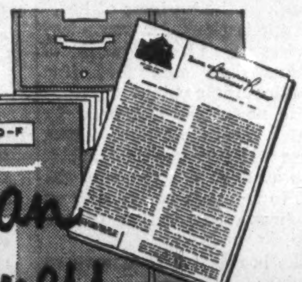
R. M. MAPP

Mr. W. I. Drynan, President, Canadian Canners Limited, announces the appointment of R. M. Mapp to the position of Assistant to the President—Marketing.

Mr. Mapp was formerly with the California Packing Corporation where he has held many sales positions. The latest of these was that of Southeastern Division Sales Director with headquarters at Atlanta, Georgia.

In his new position Mr. Mapp will plan and supervise overall marketing for Canadian Canners Limited.

FOR REPORTS ON Canadian Business



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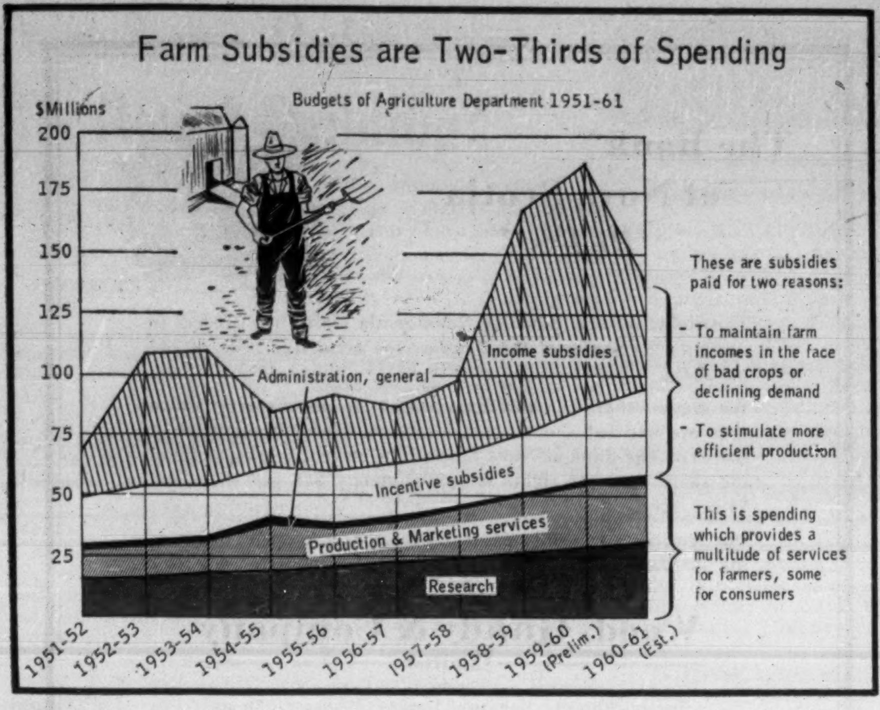

Where your tax money really goes:

IN AGRICULTURE — No. 10 of a special FP series on major departments of the federal government . . .

OTTAWA (Staff) — Canada's farmers are getting three times the subsidy help from the taxpayer they were getting as recently as five years ago.

The reason: New legislation to maintain farm incomes in the face of falling and shifting farm prices and occasional crop failures.

The facts:

- During the 1954-56 fiscal years, farmers got $46.5 million a year in subsidies, against a projected $146.4 million in the 1959-61 fiscal years.
- In the five years between March 31, 1956 and the end of the current fiscal year, Canadian farmers will get $844 million in subsidy aid, against $282 million in the five years before that.

Both annual averages and five-year figures show that the subsidies have been almost tripled.

The government pays farm subsidies through the budgets of two departments, Agriculture and Trade and Commerce (**FP**, July 2). Agriculture makes some 20 kinds of payments, Trade and Commerce only two, for grain storage.

- In the 10 budgets between 1951 and 1961, payments through the Agriculture Department will total $701.4 million. Although grain storage subsidies didn't begin until 1956, they will total $424.7 million in five fiscal years.
- Total farm subsidies 1951-61, $1,126.1 million.

The table on this page lists all the principal subsidies paid through the Agriculture Department, and shows when they were enacted, and whether by legislation or order-in-council.

Most of the large subsidies are income - maintenance payments, and several of them are new; the incentive subsidies are all of long standing, and most are small.

Of the big new income subsidies, the acreage payments of 1958, and last fall's payments for unharvested grain, are the result of decisions by the Diefenbaker Cabinet. They were approved by orders-in-council accepted by Parliament.

Most of the other income subsidies are the results of laws passed by Parliament, under both Liberal and Conservative regimes. (This is also true of the wheat storage subsidies paid by Trade and Commerce Department—one originated with the Liberals, the other with the Conservatives.)

Parliament usually accepts farm subsidies with enthusiasm, whether they come in the shape of new legislation or votes established by order-in-council. The difference: Legislation gets debated before the payments are made. Votes by order-in-council are often jammed through at the end of a session with little debate.

Here's a rundown of the farm subsidies listed in the table:

Incentive subsidies:

1. and 2. Prairie and Maritimes Rehabilitation. The government contributes to the costs of building dykes and dams against tidal flooding in the east, and to the costs of land resettlement, reclamation and irrigation projects on the prairies. The biggest of the latter is the South Saskatchewan dam which will cost $19 million in federal funds in 1959-61.

3. Cheese subsidies. Improvement of cheese factories are subsidized and makers are paid premiums for high quality cheese.

4. Hog premiums. Raisers get a $2 premium for grade A carcasses, $1 for grade B.

5. Construction of cold storage warehouses is assisted.

6. Lime assistance. The government helps the six eastern provinces and B. C. distribute lime fertilizer to farmers.

Income subsidies:

1. Freight assistance. The government pays specified costs of moving grain from the prairies to the east and B. C. to feed livestock and poultry.

2. The Prairie Farm Assistance Act sets up a "crop insurance" fund to which growers contribute 1% of grain receipts, and from which they get compensation when crops fail. In the 21 years since the fund was established, payments have been precisely twice as high as premiums.

3. Apple subsidies — special payments for Nova Scotia and B. C. growers.

4. Price supports. Legislation by which the government supports the prices of specified farm products, by deficiency payments or bulk buying, has existed since 1944. The Conservatives made the supports more generous by a new act two years ago.

5. Last fall's federal crop insurance law offered contributions to provincial crop insurance schemes. So far, only Manitoba's scheme is functioning.

6. Last October's exceptional Prairie snowfalls cost many farmers much of their 1959 crops. All three Prairie provinces made cash payments to stricken farmers and helped with the costs of shipping cattle fodder and bedding. The government footed half the bill.

7. Two years ago, Prairie farmers asked for deficiency payments totaling $228 million to bring grain receipts for 1956-57 up to a "parity" calculated on average receipts in 1945-52. Instead they got $41 million in "acreage" payments — $1 per acre up to a maximum of $200 per farm.

The list excludes several small incentive subsidies paid by Agriculture, including payments on the construction of potato warehouses, grants to agricultural organizations, compensation for the slaughter of diseased animals, etc.

Here's Record of Farm Subsidies

Incentive Subsidies

	First Enacted	How Enacted	PAYMENTS $ Millions 1951-52	52-53	53-54	54-55	55-56	56-57	57-58	58-59	59-60‡	60-61‡
Prairie rehabilitation	1935	L	10.7	12.3	12.9	11.2	9.8	11.9	11.1	11.4	16.6	23.0
Maritimes rehabilitation	1948	L	1.2	1.6	1.9	1.5	2.1	1.7	1.4	2.1	2.3	2.6
Cheese subsidies	1941	L	1.0	.6	.7	.9	1.1	1.1	1.3	1.4	1.2	1.2
Hog premiums	1941	o/c	5.4	6.4	4.7	5.1	5.9	5.7	5.5	6.9	8.2	8.0
Cold storage warehouses	1907	L	.5	.9	.2	.4	1.8	.6	.8	.7	.5	.1
Lime assistance	1945	o/c	.5	.5	.6	.4	.5	.5	.5	1.1	1.2	1.2

Income Subsidies

	First Enacted	How Enacted	1951-52	52-53	53-54	54-55	55-56	56-57	57-58	58-59	59-60‡	60-61‡
Freight assistance	1941	o/c	15.0	20.7	17.0	19.0	16.0	17.5	17.5	20.0	23.2	21.0
P.F.A.A.*	1935	L	...	...	...	...	8.4	...	5.9	17.0	13.2	...
Apple subsidies	1950	o/c	1.7	...	...	...	...	...	...	...	...	...
Price supports	1944	L	1.7	32.5	37.8	3.1	5.8	5.0	6.0	15.0	57.7	†17.0
Crop insurance	1959	L	...	...	...	...	...	...	...	...	...	†3.0
Unharvested crops	1959	o/c	...	...	...	...	...	...	...	...	6.0	1.3
Acreage payments	1958	o/c	...	...	...	...	...	...	...	41.3	...	...
Total subsidies			37.7	75.5	75.8	41.6	51.4	44.0	50.0	116.9	130.1	78.4

*About half the money paid out under the Prairie Farm Assistance Act is regularly recovered from premiums from growers.
†FP estimates. Too early yet to calculate 1960-61 costs of crop insurance and price support programs. But these figures are likely to be on the low side.
‡1959-60 figures are preliminary; 1960-61 are estimates.

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Salaries, Research Make Up Increase In Agriculture Dept

OTTAWA (Staff) — Rising salaries and bigger farm subsidies caused the increasing and wildly fluctuating Agriculture Department budgets of the last 10 years.

The subsidies are described in the article on this page. Subtract these and you get an idea of the size and growth of the department's research, marketing and production programs.

Agriculture's "other" costs break down in this way:

- **All other costs,** $29.9 million in 1951-52 to a projected $57.6 million in 1960-61. This is a cumulative growth of 7.5% a year.

These costs make up only 37% of the department's spending of $1,116 million over the 10 years. The rest is subsidies.

- **Research,** $15.2 million to $30.3 million, cumulative annual 8% a year.
- **Production and marketing services,** $11.9 million to $23.7 million, cumulative 8% a year.
- **Administration and general,** $2.8 million to $3.6 million, cumulative 2.9% a year.

Here's how salary costs contributed.

At the end of March, 1951, 7,078 people worked for the Agriculture Department at an average $284 a month. Salaries consumed 71% of the department's budget, excluding subsidy payments.

At the end of last March, staff had grown to 7,703 — an annual 1% increase. The average departmental salary had risen by 28% to $363, and salaries consumed 59% of the budget, excluding subsidies.

Most departmental employees are trained agriculture specialists and technicians. To hold these, and attract others necessary to maintain the growing programs, the average salary level had to be raised the 28% over the nine years. But industry raised its wages by 48% over the same period.

The 7.5% growth rate for the department's "other" costs is relatively slow for government departments which look after Canada's natural resources. The comparable parts of Fisheries spending are rising by an annual 9.5%, and those of Mines Department by an annual 12%.

Is the 7.5% growth rate justified for Agriculture when GNP is rising at only 6.3% annually (both figures include price changes)?

The answer depends on your view of the position of farming in the Canadian economy.

DBS doesn't compile total indexes of farm production. But it does measure farmers' incomes, and the prices they get for what they raise, together with the prices of the things they use.

These figures show that the farmer is caught in a cost-price squeeze (see table). The prices of the things he sells have fallen by 1.9% a year since 1952, and the prices of the things he uses have risen by 1.2% annually. Farmers' net incomes swing from year to year according to growing conditions and the number of farmers, but the general direction is downward.

The farmer's answer to the question above:

- If the department hadn't spent increasing sums on its research, production, marketing and administration budgets, our incomes would have fallen a good deal more than they have.

The politician agrees with the farmer. In addition, he is happy to jack up the falling incomes by subsidies.

An economist's answer might be:

- If the department had spent more on its services, perhaps the farm subsidies need not have been as large as they were.

What are the services the department provides? Here's a thumbnail sketch:

- The Research Branch is one of the largest farm research organizations in the world. It consists of 40 laboratories and experimental farms in all provinces and the N.W.T. which conduct fundamental and applied research in all branches of agriculture with the exception of animal and poultry diseases, which are assigned to Production and Marketing Branch.
- Production and Marketing: [illegible] tion for farmers and consumers on all kinds of farm products; grades and inspects agricultural products for farmers and consumers; and tries to eradicate contagious diseases affecting livestock and poultry.

Cost-Price Squeeze

	FARM INCOMES Gross (qu. av.)	Net (annual)
	$ Millions	
1952	714.8	1,959
1958	696.7	1,157
1959	696.5	1,108
	PRICES Farm Products	Commod. Used
(Index 1935-39=100)		
1952	250.2	229.8
1958	220.4	242.7
1959	219.6	249.8
Cumulative annual chge. (%)	—1.9	+1.2

Mead-Man Brought Idea from Poland

A Sarnia apiarist found he had a large surplus of dark honey about 1950.

The honey did not sell well in competition with white honey and had to be stored.

Recalling his youth in Poland, Walter Strawa began experimenting with making batches of honey wine.

Today, after 10 years of tests, Strawa figures he has a satisfactory product and plans to market honey wine in September (**FP**, July 23).

The Ontario Liquor Control Board, which entered the picture about five years ago, has granted Strawa the necessary license this year.

The board says it will introduce the honey wine in the Sarnia area liquor stores.

If it sells well and the supply is adequate, it will be sold elsewhere.

Strawa has between 800 and 1,000 hives producing 40 to 50 tons of honey a year. Honey wine is made by diluting the honey with water, adding yeast and certain other ingredients, and permitting it to ferment for two months or so.

Alcoholic content can reach as high as 16%.

Honey wine was a popular drink in Poland, since grapes for ordinary wine did not grow well, Strawa says.

He came to Canada in 1926, living most of this time in Sarnia.

He's married. Recently he and his wife adopted an 18-year-old girl from Poland who can't speak English yet.

Strawa had a bread business before he began raising bees as a living.

Honey wine, or mead, is possibly one of the earliest alcoholic beverages.

It was mentioned in Sanskrit writings of the Hindus about 3,000 B.C.

The Vikings evidently drank it. Chaucer and Pepys wrote of it. In the case of mead, it is sometimes blended with herbs.

Meet the New Assistants In Trade and Commerce

Two new assistant deputy ministers have been appointed to the Department of Trade and Commerce, the Civil Service Commission announces.

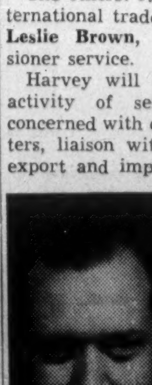
HARVEY

They are **Denis Harvey**, 51, who will be assistant deputy minister for commodities and industries; and **Bertram G. Barrow**, 39, domestic commerce.

This makes four assistant deputy ministers for Trade and Commerce.

The others: **J. H. Warren**, international trade relations; and **Leslie Brown**, trade commissioner service.

Harvey will co-ordinate the activity of several branches concerned with commodity matters, liaison with industry and export and import controls.


BARROW

Barrow will serve as principal adviser on domestic commerce and conduct commercial negotiations with provincial authorities, trade associations and other business groups.

Both men are career civil servants, qualified in inter-departmental competitions conducted by the Commission.

Harvey was born in England and came to Canada in 1929. He graduated from McGill in 1934 with first-class honors in economics and spent the next five years in private employment in Montreal.

After wartime service as a Commander with the Royal Canadian Navy he entered the Department of Trade and Commerce in 1945 as director of the import division.

For the past 10 years he has been a director of the commodities branch.

Barrow, a native of Montreal, is also a graduate of McGill where he obtained a Bachelor of Commerce degree in 1945. He then joined the federal government as an economist with the old Department of Reconstruction and Supply.

Two years later he entered Trade and Commerce where, in 1953, he was named assistant director of the international trade relations branch.

For the past five years, Barrow has been with the Tariff Board, the last two as chief of research. During his career he has served on several Canadian teams engaged in tariff negotiations.

U. OF S. CAMPAIGN

From Our Own Correspondent

SASKATOON — University of Saskatchewan's Golden Jubilee Fund has passed the half-way mark towards its $2.5 million objective. Gifts to date total $1,282,359. The announcement was made by E. C. Leslie, QC, of Regina, general chairman of the campaign. The first major fund-raising campaign by the U. of S. began in April and is expected to be completed in September.

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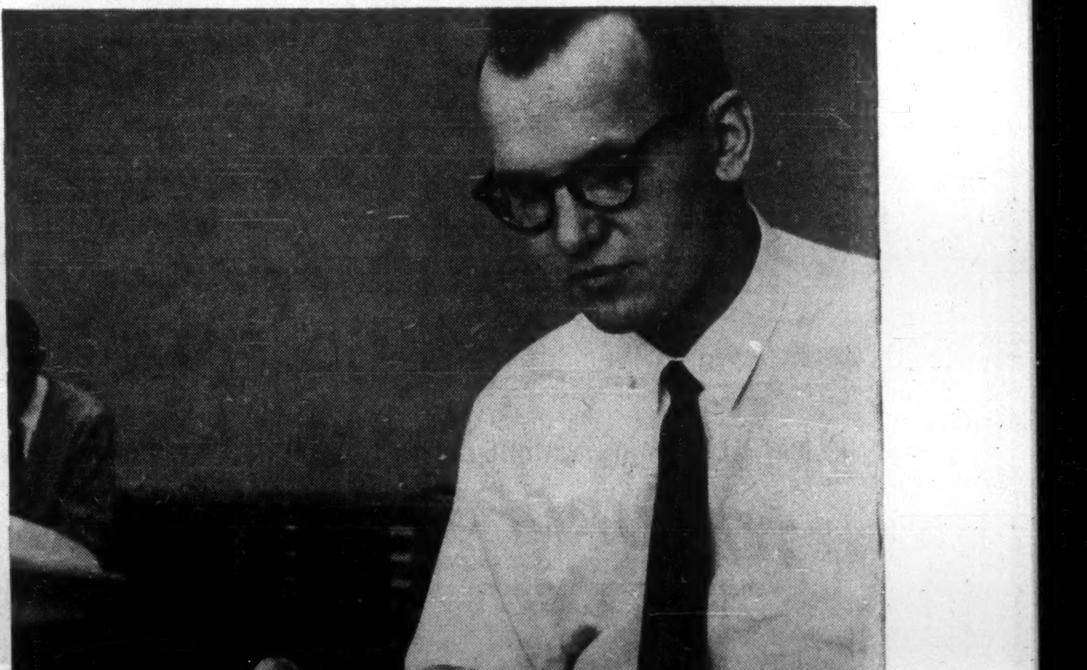

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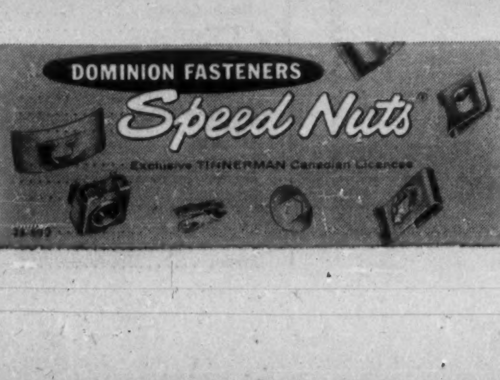

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INVESTMENTS

Stay-at-Home Habit May Be More Costly for Investors

By PAUL S. DEACON

IF YOU HAD been a wizard in the past couple of years, you would have hopped from the Canadian stock market into U. S. stocks, and then switched into U. K., European or Japanese issues in time to take advantage of the boom in business and share prices abroad.

But most investors aren't wizards. They depend largely on the advice of their brokers for guidance in market moves. Because few Canadian investment houses pay much attention to foreign stocks, the chances of being advised to switch money into other markets are rather slim.

Some investors claim that this is a serious shortcoming in the quality of investment advice available to Canadians.

"I think it's a scandal that Canadian brokers don't switch their clients' holdings into U. S. and other foreign stocks when the stock market here is dead and other markets are strong," one investor complained to **FP** recently.

"The big reason brokers don't put clients into foreign stocks is strictly a matter of commissions," he claimed. "They don't get any commission on business put through foreign stock exchanges, so they stick to stocks on which there are commissions."

FP queried several houses on their approach to the problem of investment abroad. Most admitted that they stuck pretty closely to Canadian issues, but they said that the commission factor was not a primary consideration.

"We can charge an additional commission on foreign trades if we want to, but we haven't done so for some years," one large dealer said.

"We get a good deal of business in Canadian stocks from U. S. houses on which they don't receive commissions, and we give them business in U. S. stocks in return. In recent years, the amount of business coming in to us through this reciprocal arrangement has been much greater than the amount we have placed there."

Why not put more clients into foreign stocks?

"Because we feel we know more about Canadian situations. Our research staff can keep us in fairly close touch with what's going on here, but it couldn't cope adequately with U. S. and European markets as well."

This answer was typical of those from several of the houses contacted.

Some of the other factors cited:

Clients prefer investing in companies they know well. This applies not only to foreign stocks vs. Canadian ones, but to local firms vs. firms in other parts of Canada. In Ontario, investors tend to buy **Abitibi**; in Quebec, **Consolidated Paper**; in British Columbia, **MacMillan, Bloedel & Powell River.**

Foreign exchange conditions tend to complicate the picture enough that clients (and brokers) tend to steer clear of foreign stocks. "When the Canadian dollar went to a premium, many of our clients who held U. S. stocks got hurt. They still remember it," one broker said.

Foreign taxes confuse the dividend return, particularly in the case of U. K. stocks. Only high-tax-bracket clients can claim a full credit against their Canadian tax liability for the taxes paid in the U. K.

Information on stocks in the U. S. — annual and interim reports, etc. — is of a high calibre. On U. K. stocks, however, it is much less complete than on Canadian stocks. In the case of European companies, investors have to go largely on faith.

Despite these disadvantages, the stronger performance of stocks in other markets has attracted some Canadian buying abroad.

Some U. S. houses with Canadian branches say they have been doing a good business in U. S. stocks. One Canadian mutual fund that invests exclusively in the U. S. market has shown rapid growth.

A Montreal house some time ago advised its clients to invest in the European market through three investment companies it recommended, and results since then have been favorable.

A Toronto house which advised clients to buy British steel stocks last September on the strength of a special study it had prepared, can point with some pride to the sharp gains those shares showed soon afterward.

With growing investor sophistication, and with fewer restrictions on movements of capital, it seems logical that Canadians will become more international in their approach to investing.

On the other hand, Canadian investment houses will probably continue to direct their major interest toward Canadian issues, just as U. S. and other foreign investment firms tend to stress investment either in issues close to home or in foreign ventures in which they have a direct interest.

Over the longer term, holders of Canadian stocks should do well, even though they may miss out on some of the excitement abroad.

Few investors have either the wit or the luck to flit from one stock to another at just the right time, so that they catch the upswings and escape the downswings.

Nevertheless, just as investors profit from switches out of one industry into another that is more promising, they should keep in mind the possibility of switching some of their holdings abroad when home opportunities are less attractive.

The time may not be now. Canadian stocks have been out of foreign favor for so long that they represent good value in relation to many comparable issues abroad.

If the time does seem opportune, don't expect your broker to prompt you. In most cases, you will have to prompt him. But he will help you get in touch with someone who can advise you.

Stock Prices Abroad

	Industrials Index March 1960*	Change since March 1959 %	Change since March 1958 %
Australia	185	+33	+45
Germany	582	+64	+153
Japan	264	+71	+179
United Kingdom	255	+39	+90
United States	237	—2	+32
CANADA	156	—10	+9

*1953 equals 100.

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ANNOUNCEMENT

CONSUMERS GLASS NEW DIRECTOR

BUDD HUNTINGTON RIEGER

It is announced that Budd Huntington Rieger of Toronto has been elected a Director of Consumers Glass Company Limited. Mr. Rieger is a graduate of the University of Minnesota and President and Director of Northern Pigment Co. Limited. He is also a Director of Holden Co. Ltd., Walker Metal Products Ltd., Dominion Forge Ltd., Westeel Products Ltd., Canman Industries Ltd., Can. Corporate Management Co. Ltd., Western Tire & Auto Supply Ltd., Beaver Lumber Co. Ltd., and Chairman and Director of Can. Motorola Electronics Ltd.

OPEN BRANCH

G. H. Rennie & Co., member of the Toronto Stock Exchange, has opened an office in Montreal on Dorchester Blvd. Manager is Philip Archer-Shee, once associated with **H. Hentz & Co.,** New York.

Note

By VINCENT EGAN

THE RECENT debenture issue by newly formed **Hudson's Bay Co. Acceptance Ltd.** was as welcome as a cool breeze on a summer day. The capital market has seen hardly any new issues during the past several weeks; the acceptance company offering is reported to have been heavily oversubscribed.

The $10 million 6% 20-year debentures were placed privately at par by **Harris & Partners Ltd.** and **James Richardson & Sons.**

The new firm will buy accounts receivable from its parent, **Hudson's Bay Co.**

* * *

Buyers of the $3.5 million **MEPC Canadian Properties Ltd.** 6¾% first mortgage bonds at par (**FP**, July 23) will receive 100 stock purchase warrants per $1,000 bond. Exercise price will be $2.50 per share for the first five years, $3.50 for the second five; warrants expire after 10 years.

* * *

The $1,472,260 Sudbury (Ont.) 5¾% one-to-20-year serials (**FP**, July 16) were offered to yield 5.9% on one-to-seven-year maturities, and at a 6% yield on eight-to-20-year debentures . . . Valleyfield (Que.) School Board plans a $1,350,000 debt issue.

* * *

Despite recurring rumors, **Calgary Power** is unlikely to undertake any bond financing this fall. Possibility of equity financing is even more remote.

* * *

Commodities: Oats have risen sharply on firm domestic demand. Rye weakened, as traders neglected this market. Barley futures strengthened following brisk British buying of Canadian barley.

* * *

From the Wiesenberger Investment Report (New York), this comment on the Wiesenberger Earthquake Index:

"The recent eruption of Mount Etna constituted only a minor bear signal. When and as, however, this may be confirmed by an eruption of Vesuvius, we would have a major bear signal."

The WEI theory is that above-normal earthquake activity coincides with subnormal business and financial activity.

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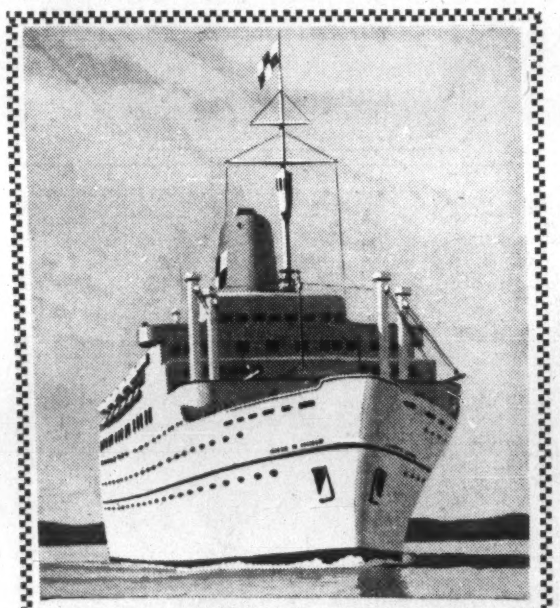

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Empress of England	AUG. 30†
Empress of France	SEPT. 6†*
Empress of Britain	SEPT. 13†
Empress of England	SEPT. 20†

†Thrift Season Fares *Does not call at Greenock

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SEE YOUR TRAVEL AGENT, or any Canadian Pacific office.

Canadian Pacific

Pacific Western's Gross Revenue Up

A 53.2% increase in gross revenue in June brought **Pacific Western Airlines Ltd.,** Vancouver, first-half 1960 gross to $4,278,346. Gross revenue for first-half 1959 was $2,999,552.

Vice-President and Managing Director D. D. McLaren reports that net profit in the month of June, 1960 exceeded $124,000, up 45.8% from $85,075 in June, 1959.

Bulk discount rates are said to be partly responsible for the increases.

Pulp, Paperboard Output Increased in First Half

MONTREAL (Staff)—Canadian production of wood pulp and paperboard was up during the first half of 1960 compared with a year ago.

Production of wrapping paper was down slightly.

Figures released by the Canadian Pulp & Paper Association this week show wood pulp production during the first half totaled 5.5 million tons, up from 5.2 million for the same period of 1959.

Paperboard production during the period was 486,766 tons (455,083). Wrapping paper production was 152,496 tons (154,121).

Here are the comparative details:

JUNE	1960 (Tons)	1959 (Tons)	% Change
WOOD PULP			
Output	932,012	882,387	+5.6
Use in Canada	719,828	677,656	+6.2
Exports	218,914	206,287	+6.1
PAPERBOARD			
Output	83,578	81,962	+1.9
Use in Canada	77,476	76,839	+0.8
Exports	10,175	6,778	+50.2
WRAPPING PAPER (2nd Quarter)			
Output	74,738	77,951	—4.1
Use in Canada	64,369	68,448	—5.8
Exports	8,824	10,994	—19.0

FIRST SIX MONTHS	1960 (Tons)	1959 (Tons)	% Change
WOOD PULP			
Output	5,515,065	5,177,408	+6.5
Use in Canada	4,227,760	3,958,665	+6.7
Exports	1,277,824	1,195,513	+6.8
PAPERBOARD			
Output	486,766	455,083	+6.0
Use in Canada	431,942	424,448	+1.7
Exports	51,596	33,933	+5.2
WRAPPING PAPER			
Output	152,496	154,121	—1.1
Use in Canada	132,313	134,864	—1.8
Exports	16,951	17,958	—5.6

These debentures having been sold privately, this advertisement appears as a matter of record only

New Issue

$10,000,000

Hudson's Bay Company Acceptance Limited

(Incorporated under the laws of Canada)

6% Debentures Series A

Unconditionally Guaranteed as to Principal, Interest and Redemption Premium if any, by

Hudson's Bay Company.
INCORPORATED 2ND MAY 1670.

To be dated September 1, 1960 — To mature September 1, 1980

Trustee: National Trust Company, Limited

In the opinion of counsel, these Debentures will be investments in which the Canadian and British Insurance Companies Act states that companies registered under Part III thereof may, without availing themselves for that purpose of the provisions of subsection (4) of Section 63 of said Act, invest their funds.

Price: 100 and accrued interest

Harris & Partners Limited — **James Richardson & Sons**

New Loan Rules Spur To House Building?

More liberal NHA regulations may give housing a shot in the arm — or be a "colossal flop."

By FORBES GILBERTSON

Government's move last week which raised salary restrictions on home owner applications for direct NHA loans to a top of $7,600 and also made direct loans available to builders who presell homes may give housing a needed shot in the arm or be a "colossal flop".

That's the opinion of housing experts.

It's much too early to see what the relaxed regulations will mean to the 1960 starts figures but another month should show a definite trend.

It could conceivably run much higher. It depends on builders' response to the new policy, their merchandising ability, market demand.

Some optimistic pointers:

• **Many builders right across the country have land available.**

Others claim to have people ready and willing to buy. Only scarcity of NHA financing has held up building.

• **Many smaller builders who built 10-15 homes a year had been virtually cut out of the housing picture by shortage of NHA money.**

If they can presell homes, they can still be in business in 1960.

• **The easing of direct loan restrictions will help especially in** areas where NHA money was in short supply and where there's plenty of demand.

If builders get out and hustle and sell customers, they can get all the NHA government money they like.

It should encourage them to correct many of the factors — like overpricing — which has held up sales for some of them.

But CMHC is going to be tough in enforcing its stipulation of no loans where a builder has unsold houses or plans to use a house design similar to completed, unsold homes of similar design in the same area. Builders agree that this is sensible.

Another side of the housing outlook:

▸ **It means stiff competition** as builders think of extras to lure buyers.

▸ **Some Toronto housing authorities** feel the new regulations won't make much difference in this key housebuilding area. They point out that sales are moving more briskly in what was a soft spot but that it's still a buyer's market and the new regulations aren't suddenly going to produce buyers who don't exist.

▸ **They also point out that a man earning $7,000 a year probably already has a house** or could have bought one of those available before salary restrictions on direct loans were raised. Merely raising salary level won't create buyers.

H. P. Hyatt, president, Toronto Metropolitan Home Builders Association, told **FP** the government move was a step in the right direction.

But he pointed out that if builders wanted to erect one or two model homes, they'd have to do it on their own funds. A short time ago, the federal government refused their request for direct loans for this purpose.

As many builders as possible will put up model homes. A few have hung onto their last one or two completed homes, anticipating changes in government policy, with the idea of using them as models.

Most people don't like buying NHA homes from blueprints. The smaller builder, said Hyatt, hasn't the money to put up model homes whereas the big project builder usually has the capital to put up perhaps six.

The housing program could get off the deck faster, he said, if the government had only gone further and allowed builders some direct loan money for building model homes to attract buyers.

Builder could then presell rest of his homes on the strength of the models or buyers could get them with direct home owner applications.

UNITED KENO HILL

Production at **United Keno Hill Mines** for the quarter ended June 30, 1960 was 183,400 oz. silver, 5,604,900 lb. lead, 3,980,800 lb. zinc.

ANNOUNCEMENT

BEAVER LUMBER COMPANY, LIMITED

DIRECTOR

B. H. RIEGER of TORONTO

who recently was elected to the Board of Directors of Beaver Lumber Company Limited is President of Northern Pigment Company Limited; Chairman of Canadian Motorola Electronics Limited; Director of Canadian Corporate Management Co. Ltd.; Conman Industries Ltd., Western Tire & Auto Supply Ltd., Dominion Forge Ltd., Westeel Products Ltd., Walker Metal Products Ltd., and several other important companies.

ANNOUNCEMENT

CARDY-ALPINE INN APPOINTMENT

HAROLD J. GUNNING

Vernon G. Cardy, President-Owner of the Cardy-Alpine Inn, Ste. Marguerite Station, P. Que., announces the appointment of Mr. Harold J. Gunning, who assumed his duties as General Manager on July 15th, 1960. The Alpine Inn is the leading convention-resort hotel in the Laurentians, North of Montreal. Mr. Gunning brings to his new position extensive experience in the Hotel business, including 8 years as Manager at Jasper Park Lodge, Alberta, and most recently Manager of the Bessborough Hotel, Saskatoon.

Why They're Moving

Facts and comment on what's going on in the market and rumors behind some of the moves.

PULP AND PAPER stocks, buoyed up by the news of improved second-quarter earnings, continue to buck the market's downward trend.

A pronounced drop in the premium on the Canadian dollar from a 1960 high of 5.298c on March 2 to a low of 1.043c on May 25 is a major factor behind the rise in earnings of companies whose export business is large. The Canadian dollar has sinced edged upward, and at latest report was worth 102.485c (U. S.), but this is still below year-ago levels.

When the dollar premium was at its highest—which meant that loss to the paper companies from conversion of U. S. to Canadian funds was at a peak—stock of **Abitibi Power & Paper Co.** was selling at $35¼; **Fraser Companies**, $25½; and **St. Lawrence Corp.**, $15¾.

Eleven weeks later, when the discount on U. S. funds was at this year's low, Abitibi sold for $40¾; Fraser $26¼; St. Lawrence $18¾. In the same period, shares of **International Paper Co.** (operating mainly in the U. S. and not subject to same currency fluctuations as Canadian paper companies), fel. from $104¼ to $98½.

This week, shares of the three Canadian companies were selling above the early March level, against a drop in the TSE industrial index from 485.96 to 472.38, the year's low. Here is a comparative table of the earnings which have helped influence the market action of these stocks:

	Recent Price	Earnings per Share: Second Quarter 1960	Second Quarter 1959	First Half 1960	First Half 1959
	$	$	$	$	$
Abitibi	39	...*	...*	1.40	1.22
Fraser Co's	25	0.44	0.40	0.77	0.79
International Paper	94½	†1.50	1.68	†3.18	3.05
St. Lawrence Corp.	16½	0.30	0.26	0.56	0.44

*Not published. †Estimate.

* * *

Alberta Distillers, an independent company which had been the subject of various merger rumors, edged down to $2.05 after an announcement that it had turned down a merger proposal. Report for fiscal year ended May 31 is expected to show earnings of about half the previous year's 17c a share; for the first six months of the 1959-60 fiscal year, profit was about 5c a share, compared with 9c in June-November, 1958. Price has ranged between $2.90 and $2.00 this year; decline in the past week has been 25c.

Publication of **Canadian Walipaper Manufacturers'** annual report; showing 1959-60 earnings of $3.85 a share vs. $2.59 in previous year, caused the infrequently traded "A" stock to jump to $37½ on a transaction of 25 shares, up $7½ from the last previous trade three weeks earlier. Next day it dropped to $35¼, recovered to $36¾.

On a turnover of 900 shares, "B" stock advanced 25c to $37¾. Later, it edged back to $37.

Simpsons Ltd. ($27⅝) expects 1960 earnings to be about the same as last year's $1.44 a share, or a little higher. First-half sales were slightly ahead of 1959. Stock is down from $28½ last week, $33¾ earlier this year. Low for the year: $27.

Canadian Chemical Co. advanced from $6¾ to $7, following announcement that 1960 sales were running 13% ahead of last year's. First-half profit of 29c a share, however, was only 1% greater than comparable 1959 earnings.

Although earnings of **Shawinigan Water & Power Co.** in January-June were up 13.6%, stock failed to advance. Price settled back to $26, just $1 above the year's low (high: $30⅜).

Street reports have it that shares of **N. Slater Co.** (**FP**, July 23), changed hands for as much as $38 in the last-minute efforts of the still unidentified buyer to make sure of control. Stock traded in small volume this week at $30⅝.

Here is What Broker Gets For Handling Your Trades

The new stock exchange commission rates (**FP**, July 23) have eliminated the differences in brokers' charges for oil, mining and industrial share transactions.

They still leave wide variation in what brokers receive for handling trades.

Cost of trades in lower-priced shares continues to exceed that in high-priced shares. Brokers say that clients dealing in low-priced stocks tend to invest small sums.

Because the cost of handling such trades is relatively high, the commission charged is also higher.

Here is a comparison of some new and old commission rates, based on the purchase or sale of $1,000 worth of stock:

Commission Charges on $1,000 Trade

Price of Share	Now: All Stocks $	Before: Mines & Oils $	Before: Industrials $
0.50	20.00	20.00	40.00
1.00	25.00	20.00	40.00
5.00	30.00	20.00	30.00
10.00	25.00	20.00	25.00
25.00	14.00	14.00	14.00
50.00	8.00	8.00	8.00
100.00	5.50	5.50	5.50
200.00	5.00	5.00	5.00

Appoint Three To Superintend United Loan

MONTREAL (Staff)—What's going on in **United Loan Corp?**

At mid-week the financial community was frankly puzzled about conflicting reports concerning the small, Montreal-based installment finance company.

On Monday the Canadian Stock Exchange in its daily bulletin disclosed that United's directors had appointed Frank T. Denis, C.A., Roger des Groseilliers and Guynemer Giguère as controllers of the company, to superintend the business and administer its affairs.

Officials of the company declined to comment as to why management changes had been made.

Stock market action in United A — which normally trades infrequently on the CSE — has been relatively strong in recent weeks, despite the company's action.

In the first five months of this year, only 10 shares of United A changed hands at $18.

During June range was $18¾ to $17½ on a turnover of 835 shares. July saw the stock shoot ahead to $23 on volume of 5,875 shares. By mid-week stock prices had declined to $20 per share from the high of $23.

Outstanding capitalization of United at Nov. 30, 1959, was 15,550 5% cumulative redeemable $25 par preferred shares, 13,352 npv Class A preferred, and 55,389 common shares, par $1.

Alberta Distillers Rejects Merger

From Our Own Correspondent

VANCOUVER — **Alberta Distillers Ltd.,** one of the last remaining independents, has turned down a merger offer from a major U. S. distiller.

Speculation has it that the offer came from **National Distillers,** which is believed to be anxious to step into the Canadian whisky market.

The Vancouver-based Alberta Distillers confirmed recently that it had talks with representatives of a U. S. distillery regarding "extension of our sales effort in the U. S. or a possible merger of operations."

The deal fell through, however, since the terms apparently were not suitable to the Canadian company.

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St. Lawrence Per Share Net 27% Higher

MONTREAL (Staff) — Net consolidated first half earnings of **St. Lawrence Corp.,** after provision of minority interests, were $2,832,608 or 56c per common share.

The results include those of **Hinde & Dauch Ltd.,** acquired last year.

In first half of 1959, consolidated net profit was $2,302,548 or 44c per share. The 1959 results include those of Hinde & Dauch from June 1, the date of acquisition.

St. Lawrence Corp. reports its mills (excluding those of Hinde & Dauch) shipped 266,292 tons —comprising 181,061 tons of newsprint, 82,810 tons of finished kraft and 2,421 tons of surplus pulps — in the first half of this year, 7.3% more than in corresponding 1959.

Financial results in detail:

	Six mos. end. June 30 ($000) 1960 (1)	1959 (2)
Net sales	50,548.7	36,658.8
Less: Foreign exchange	667.0	669.4
Cost of sales	39,762.3	35,989.4
Add: Other income	593.5	331.0
Less: Depreciation	3,119.1	2,341.2
Depletion	58.5	46.1
Bond & other int.	[illegible]	[illegible]
Pension plans	448.8	289.9
Income taxes	2,858.0	2,292.2
Minority interest	166.7	72.0
Net profit	2,832.6	2,302.5

(1) Includes results of Hinde & Dauch..
(2) Includes results of Hinde & Dauch June 1 to June 30 only.

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Price 102.25 to yield 5.28%

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Specialists in Special Situations

SEC May Delist If Foreign Firms Withhold Details

Canadian companies whose stocks are traded on a U. S. exchange may run into trouble in proposed new measures of the U. S. Securities & Exchange Commission.

Foreign companies, including those established in Canada, were invited to file by July 25 comments on measures proposed in order to ensure companies' full co-operation with SEC investigators.

It's not known whether any Canadian firms made a submission.

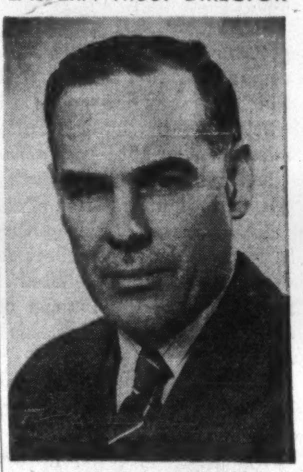
Commission plans to adopt a rule under which it could suspend or withdraw a security from listing on a U. S. exchange if the company, its officials or "controlling persons" fail to co-operate in an SEC investigation.

Canadian companies contacted by FP had no comment. None had been invited to make their views known.

But legal experts here say that any SEC requests to submit corporate documents might cause problems. Ontario legislation prohibits such action.

ANNOUNCEMENT

EASTERN TRUST DIRECTOR



CHARLES N. WILSON

Donald McInnes, Q.C., President of The Eastern Trust Company, has announced the election to the Board of Directors of Charles N. Wilson of Saint John, N.B. Mr. Wilson is President of Standard Dredging Company of Saint John, N.B., and is a Director of The Bank of Nova Scotia, New Brunswick Telephone Co. Ltd., Enamel and Heating Products Ltd., and a [illegible] member of the Executive Council of the Canadian Chamber of Commerce and is actively associated with many charitable and educational organizations.

Cdn. Chemical Sales Up 13%

MONTREAL (Staff) — Consolidated net profit of **Canadian Chemical Co.** for six months ended June 30 was $1,490,462, equal to 29c a share.

This was 1% higher than the first-half 1959 net of $1,475,231.

Net sales at $14,294,498 increased 13.2% over the comparable 1959 period, reflecting in part materials purchased for sale pending completion of the 40% expansion of company's petrochemical facilities now under way.

Prior to August, 1959, company was a wholly-owned subsidiary of **Canadian Chemical & Cellulose Co.,** an identity shared with **Columbia Cellulose Co.**

In its first financial statement since becoming a public company, Canadian Chemical reported net profit of $3,319,005 (66c a share) for 1959 against $770,730 (15c) in 1958.

No provision for federal income tax has been made in 1960's first half as loss carried forward from previous years exceeds taxable income for the period.

Six Mos. ended June 30:	1960	1959
Net sales	$14,294,498	$12,629,928
Oper. profit	4,383,951	4,432,833
Interest	1,088,866	1,162,420
Deprec., etc.	1,786,725	1,781,970
Prov. inc. tax	17,898	13,212
Net profit	1,490,462	1,475,231

CHARTRE, SAMSON, BEAUVAIS, BELAIR, COTE, MARCEAU ET ASSOCIES

and

E.H. KNIGHT & CO.

Chartered Accountants

wish to announce the retirement of

Messrs. Maurice Chartre, A. Emile Beauvais, and Gerard Marceau

and that

Messrs. Maurice Samson, Lucien P. Belâir, E. H. Knight, Leon Cote, Jean Lacroix, Lionel Roussin, Hensley Bourgouin, Dollard Huot, Raymond Fortier, Albert Garneau, Percy Auger

will continue the practice of their profession under the names of

SAMSON, BELAIR, COTE, LACROIX ET ASSOCIES

and

E.H. KNIGHT & CO.

Chartered Accountants

with offices at

MONTREAL — QUEBEC — RIMOUSKI

Messrs. Maurice Chartre, A. Emile Beauvais and Gerard Marceau have been retained as Consultants

No Under-the-Counter Deals

A license to operate an airline is a very important matter of public business—public in the largest and best sense of the word.

There is no justification for keeping secret the real ownership of airlines that get licenses.

We refer to the recent Commons uproar over Transport Minister Hees' refusal to reveal who really owns Georgian Bay Airlines Ltd. This company recently received a license—after an earlier turndown and after a change had been made in the regulations governing license-granting.

It has been asserted that ownership was revealed in private to the Air Transport Board.

But ATB is mad to allow this to be made in private. ATB should not allow itself to get into the position to be pressured. We want no under-the-counter deals.

The contrast with the BBG regulations covering the granting of television station licenses is instructive. This is another board reporting to Parliament through Mr. Hees. Real honest-to-goodness ownership of TV stations in Canada must, under BBG regulations, be revealed not only to BBG—but revealed publicly. No dummy corporations, no dummy directors, no false fronts are permitted.

This is sound from the administrative point of view. This is the least that the public is entitled to know.

On air route licenses, the government would be well-advised to adopt and stick to the same principle.

Why Prices Rise and Fall

The positive claim has been made that certain declines on the retail price front during the last 10 years were the "direct result" of Ottawa's 1951 ban on resale price maintenance.

This argument is supported by quoting prices, mainly of electrical appliances, advertised in a newspaper in 1951—before the ban —and comparing them with current prices for the same items. Every set of prices selected for comparison shows a decline since 1951.

And on this simple "evidence" the claim is rested.

Yet the comparison is simply not a valid one.

The year 1951 was in the middle of the postwar boom when there was an enormous demand for this sort of product. The appetite for consumer goods which had been whetted in the luxury-lean years was still unsated. And 1951 was a Korean war year when many consumers stocked up in anticipation of another period of shortage.

All of these factors pushed prices up.

Since then, the market for some of the electrical appliances cited has broadened greatly. Since then, many consumers have satisfied many of their needs for appliances. And in recent years, both Canadian manufacturers and foreign manufacturers have been competing more sharply for the consumer's dollar.

All of these factors pushed prices down.

The existence of resale price maintenance before 1951 and its prohibition after 1951 is not a sensible explanation, in other words, for today's lower-priced electrical items.

Flowers That Bloom

Let us salute, praise and thank the girls of all ages for looking exceptionally attractive this summer.

Male persons of ripe judgment in these matters have, in their time, seen women wearing an extraordinary variety of costumes, beginning with the hobble and harem skirts of World War I days and continuing to the equally unlamented sack and trapeze of a later era.

Whether or not these changes of fashion are designed to beguile the masculine eye, as is sometimes asserted but as often denied, they are certainly observed by men with considerable curiosity.

More than that, men have decided opinions on the subject; and it is undoubtedly their consensus that nothing so gracefully pretty as the short, brightly colored, bell-shaped dresses now in vogue has been seen in living memory. Attired in these truly feminine garments, the girls look like gardens of flowers.

This, then, is merely to offer them the usual blessings and to express a hope that here is one fashion that will last for more than a season.

Six Plus Six Equals Sense

What, precisely, does Ottawa plan to do about the absurd set of rules now governing Canadian fishing in the waters off Canadian shores?

Failure of the international Conference on the Law of the Sea put an end to Canadian and U. S. hopes that all nations would adopt the six-plus-six formula—a six mile territorial jurisdiction plus a six-mile exclusive fishing jurisdiction.

This would have brought sense and order into matters concerning both fish and sovereignty. Instead, we continue with a three-mile territorial jurisdiction plus our own law that larger Canadian vessels must not fish within 12 miles of the Canadian shore in order to give smaller Canadian fishing boats a better break.

The absurdity of this situation is revealed in the recent report that a Canadian dragger was arrested for fishing seven miles off the Canadian coast. But to get out to it, the Canadian patrol boat had to "thread its way through a whole fleet of foreign vessels". Our law prohibits larger Canadian boats such as draggers from fishing inside a 12-mile limit . . . but foreign fishing boats, whatever their size, can fish anywhere up to the three-mile territorial jurisdiction.

No Royal Commission need be appointed to investigate the laws of the sea and the needs of the Canadian fisheries. Canada has already spent a great deal of expensive official time and done a creditable amount of careful thinking about these matters.

The conference failed because a minority held out against the six-plus-six formula. But why shouldn't the government now get the 50 or so countries who were willing to vote for the six-plus-six formula to agree to introduce it among themselves? The fact that this new suggestion comes from the opposition benches shouldn't blind the government to its worth.

The alternatives seem to be unilateral action of some painful sort—or, worse yet, letting matters drift along hoping, perhaps, that the fish will move out to where the Canadian vessels hungrily hover.

Those Canadians who are concerned about the welfare of Canada's fishing industry—and about the government's ability to provide a suitable climate for business—would welcome an announcement of policy before the House rises this summer.

After the Ball

The Victoria Times recorded on May 21, 1957—that was an election year, as we recall—that John Diefenbaker said:

"The plight of municipalities is becoming tragic because there is a constant increase in federal taxes. [It is the responsibility of the federal government] to assure that the municipalities shall have the right to discharge their responsibilities. The time has come for a meeting of the provinces and federal government, with the municipalities present, to discuss these problems. . . . We intend to convene such a meeting."

Now, three years later, the Prime Minister is asked if the municipalities will have a chance to present their problems at the current Federal-Provincial Conference. His reply, recorded in Hansard:

"The municipalities are the creation of the several provinces. The provincial delegations may, if they so decide, have representatives of municipalities as part of the provincial representation."

The concern of 1957, it would seem, has given way to the legalism of 1960.

Brass and the Tin Hat

Old soldiers may, indeed, be a mighty durable lot. But even less likely to fade away, it seems, is the steel helmet of 1914.

"When are you going to get rid of these tin hats?" Chester Carter, Liberal member of the House recently asked old soldier George Pearkes. Mr. Carter was wearing one at the time.

"The authorities are giving consideration to an improvement. But there are no funds provided for a new style in this year's estimates," Defence Minister Pearkes replied.

Why the Canadian Army has persevered with the present steel helmet for 40 or 50 years, no one knows. The darned things never did stay on. Never was a design so poorly calculated to protect. Yet, the military mind being what it is, we still have them.

They have, let it be granted, provided nostalgic flowerpots for thousands of Canadian homes. And they have been used to make an excellent cat-walk through the mud.

Tin hats for soldiers may not matter much in the atomic age, but the present tin hat situation tells us a great deal about the mentality of the bureaucrats who decide these things for the Canadian Army.

Sensible Advice

Here are three sensible and constructive pieces of advice directed at union locals from the offices of the Canadian Labor Congress:

1. Any union that thinks it can settle all its affairs across the bargaining table and forget about the public is under an illusion.

2. Be truthful and accurate when disseminating information; if you have to lie, you haven't got a case.

3. You may be able to put over a fast story once on the public, but it will probably be not only your first but also your last.

This is the valid approach to progress in Canadian labor-management relations.

Post Scripts

MR. PALIN

Gas Spokesman

Frederick Roland Palin, new general manager of Union Gas Co. of Canada, Chatham, Ont., is one of the senior spokesmen for Canada's natural gas industry as it moves into its most dynamic growth period.

With his training as a chartered accountant and 24 years' business experience with Eastern Canada's oldest natural gas company, Palin gives valuable direction to the fast-growing Canadian Gas Association. He was the association's president in 1956-57 and was chairman of the CGA's taxation committee for several years. He is first vice-president of the Gas and Petroleum Association of Ontario.

Spare and quiet-spoken, Palin will guide the multi-million expansion program of Union Gas in its vast southwestern Ontario franchised area.

Palin was born and educated in Toronto and, prior to entering the gas business, worked first in the Bank of Nova Scotia and then in the auditing firm of Clarkson, Gordon & Co. He obtained his C.A. in 1934.

Two years later he joined Union Gas as assistant comptroller and assistant treasurer. In 1942 he became comptroller, secretary and treasurer. In 1954 he was appointed assistant general manager, retaining the titles of secretary and treasurer of Union Gas and Ontario Natural Gas Storage Co. He is now general manager and treasurer.

He has also been comptroller, since 1942, of United Fuel Investments Ltd., a partially-owned subsidiary.

A Rotarian, his spare-time hobbies are philately and fishing.

Outspoken Critic

David Eckford Kilgour, one of Canada's top life insurance executives, has become president for 1960-61 of the Canadian Life Insurance Officers Association (FP July 23). The association, founded in 1894, is a central source of information for 91 life companies serving the insurance needs of over 8.5 million Canadians and holding assets here of $7,500 million.

Youthful-looking Kilgour is president of the Great-West Life Assurance Co., the Winnipeg-based firm he joined the day after his graduation from the University of Manitoba in 1933.

Born in 1912 in Brandon where his father was a leading lawyer (later to become a judge on the then Court of King's Bench), Kilgour rose fast in Great-West Life, being made inspector of agencies in 1935, agency assistant in 1941, and company secretary in 1943. Three years later he returned to the sales division as superintendent of agencies.

In 1950, when Great-West's operations were expanding to take care of increasing business, Kilgour was appointed assistant general manager and director of agencies. In 1954, he became general manager, was made a director in 1956 and vice-president and managing director early in 1958. A year later he was elected president.

An outspoken critic of government intervention in health insurance, Kilgour is a director of the Health Insurance Association of America and an original member of the executive committee of the Canadian Health Insurance Association. He is also a director of the Institute of Life Insurance, New York.

Kilgour is an outdoor sportsman, likes sailing and fishing at his Lake-of-the-Woods summer home. Married to the former Mary S. Russell, they have two sons and a daughter.

Big Spenders

New president of the 2,400-member Canadian Association of Purchasing Agents is Alfred R. Oliver, 45, general purchasing agent of the Steel Co. of Canada, Hamilton, Ont. He succeeds H. D. Wright of E. B. Eddy Co., Hull.

CAPA, which seeks 4,000 membership by 1970, comprises industrial, commercial, government and institutional buyers across Canada. These men handle the major portion of annual expenditures in Canada. Oliver's department, for example, spent $155 million on materials and services in 1959.

Oliver joined Stelco in 1935 and was appointed chief purchasing agent in 1948. He reorganized his department and assisted many other companies in similar reorganization for greater efficiency.

One of Oliver's objectives during his presidential year is to urge Canadian purchasing agents to work individually and collectively on a nation-wide

MR. OLIVER

cost reduction program through increased efficiency. "It is necessary," he says, "to meet the low wage rates of foreign competition, particularly in Canada because our population is small and per unit production costs are high, especially in secondary industry."

Personal details: Born and educated at Hamilton. Completed Harvard University advanced management program, 1957. Member CMA, Chamber of Commerce and Canadian Club. Active in various Hamilton church (Trinity United) and civic clubs (director, Hamilton Society for Crippled Children). Married to former Betty Thompson of North Bay. Three children: Judy 15, Bill 12 and Bob 7. Recreation: golf, curling.

Queen's Appointment

The growing importance of industrial relations is underlined by the appointment of Dr. W. Donald Wood as director of industrial relations centre and associate professor of economics, Queen's University, Kingston, Ont. He will succeed Prof. J. C. Cameron, who is retiring after 23 years' outstanding service on Sept. 1.

Dr. Wood is well equipped for his new post. He has had broad experience in government, academic and private business fields. He has been head (since 1955) of Imperial Oil's industrial relations research division and worked with the federal department of labor.

Personal details: Born Palermo, Ont., 1920. Graduated McMaster, did graduate work Queen's (M.A.) and Princeton (Ph.D. economics). Served RCAF World War II. Married (former Constance A. Leigh, Scotia Junction, Ont.), have two baby girls. Member Timothy Eaton Church, active in community, charitable work.

Peel Me a Grape

Every year a bigger part of your income is going for what the experts call "services."

It's a trend, J. K. Edmonds, FP contributing editor, says that Canadian businessmen will have to watch if they want to make the most of future markets.

Mae West once conveyed the impression of lavish service in a single memorable line. It was in "Diamond Lil," when she flung herself wearily back on the cushions of a chaise longue and said to her maid, "Beulah, peel me a grape."

Spending on services by Canadian consumers rose last year to 36.9% of all consumer spending, and rose again to 37.2% in the first quarter of 1960.

This doesn't necessarily mean the Canadian consumer is developing a taste for peeled grapes. Most of the items listed under "services" in the national accounts are expenditures about which Canadians have very little choice. Some of the items are the sort that indicate an effort to economize, rather than a trend in the direction of lavish living.

One item that has increased steadily over the past five years is "expenses (taxes, insurance, etc.) paid by owner-occupants of houses." Total spending on this category rose 14% in 1955, 15% in 1956, 14% in 1957, 10% in 1958, 9% in 1959. This is a natural result of the increase in the number of homeowners in Canada and the rise in property taxes. Paying these expenses could hardly be called a form of riotous living.

Personal donations to charity, personal contributions to churches, payment of university fees (and the cost of room and board at university residences) are all payments for "services" as defined in the national accounts. So are payments for hospital care, including prepayments. This is another fast-rising category over which the consumer hasn't much control.

Repairs of all sorts, from watch repair to house maintenance, are listed under services. The man who has his shoes half-soled instead of buying a new pair raises spending on "services" by the cost of the repair, and reduces spending on "nondurable goods" by the price of the shoes.

One item of spending on services that might indicate an increased fondness for high living is "net expenditures abroad"—tourism and the like. This item did increase rapidly in the mid-1950s (44% in 1955, 30% in 1956) but last year it declined, and the decline appears to be continuing. This is important, since one of the main items in our balance-of-payments deficit is travel spending.

The chief reason for the increased share of the consumer dollar going for services is not a demand for more service, but an increase in the cost of services available. At the same time, prices of other categories of goods (for example, food and electric appliances) are going down. Consumption in these categories is still increasing, but because of the price reductions the volume of sales is not.

There's plenty of evidence of a genuine shift in the combination of goods and services Canadians now want to buy. The increased proportion of spending for services is one aspect of that change. These are changes Canadian producers will have to adjust to, if they want to make sales; but they're not necessarily changes that reflect a "peel-me-a-grape" approach to living on the part of the Canadian public.

"Quote-Unquote"

David W. Mundell, professor of constitutional law, Osgoode Hall, before a Commons committee studying the bill of rights:

"There are so many uncertainties in the bill that could be avoided and will only lead to a vast amount of litigation and expense. It will lead to many court actions and I know one lawyer expects to retire on the income.

"As a bill of rights it is too complicated. It should be just a statement of the facts with fewer legal technicalities."

* * *

Harry S. Truman in "Mr. Citizen":

"Q.—Do you think our national Presidential conventions are conducted in the way they ought to be?

"A.—Well, that's American democracy at its highest pitch. You take these conventions apart and study them, and you'll find they are the most interesting development in the history of the country.

"National conventions started 'way back in Jackson's Administration, when he insisted on a Democratic convention being held instead of allowing the Congressional caucus to nominate a man for President, as had been done up to then. This was when he was having difficulty with John Quincy Adams and Henry Clay in 1824.

"The convention method of nominating a President — with certain changes in the rules—has continued since that time. It has proven one of the most effective ways to find out exactly what politicians stand for."

* * *

William S. White, July Harper's:

"Nixon is the most coldly and dryly objective politician I ever knew."

* * *

Adlai Stevenson:

"With the supermarket as our temple and the singing commercial as our litany, are we likely to fire the world with an irresistible vision of America's exalted purposes and inspiring way of life?"

* * *

J. Paul Getty in "The Richest American" by Ralph Hewins:

"One secret of success is never to delegate authority other than what's purely administrative. No business ever makes more money when policy passes out of the hands of one man. So it's often necessary to slam employees over the head with a baseball bat."

* * *

Life of Lady Astor by Maurice Collis:

"Lady Astor said to Winston Churchill: 'If I were your wife I'd put poison in your coffee'.

"Churchill replied: 'If I were your husband I'd drink it'."

* * *

Ottawa Journal:

"Yarmouth, N.S., has delayed its road-paving program until water and sewer mains are installed. The council decided it would be a waste of money to put the pavement in and then tear it up again. If the idea spreads it will mean a revolution in municipal works programs."

* * *

Premier W. A. C. Bennett:

"I've got 11 bosses. They are 11 cabinet ministers. When they say they serve under the Premier, they're just trying to kid the public."

Stop Me If . . .

Cowhand: Aren't you putting your saddle on backward, sir?

Dude Rancher: That's all you know about it, cowboy — you don't even know which way I'm going.

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It's Holy War, Minus Burning at Stake

Communist theology stirs fanaticism on both sides . . .

By J. B. McGEACHY

ONE HUNDRED YEARS from now, said the historian Arnold Toynbee on a TV program recently, our ideological quarrel with the Russians will seem as ridiculous to our descendants, if any, as the religious wars of the 17th century now seem to us.

This is a prediction that makes sense to me; and I imagine it makes sense to millions of other people who believe that co-existence with the Russians is necessary and possible. But it will hardly be possible if current fanaticism, on both sides, continues to be kept white-hot. War is pretty certain unless mutual tolerance — if not respect or affection — can somehow be arranged.

To see the point of Toynbee's historical analogy it's necessary first to recognize communism as really a kind of religion. It's a secular faith, rejecting the supernatural, but at the human level it has all the characteristics of a crusading church.

It has its dogmatic creed; and this creed is even divided into the old and new revelations, namely the works of Marx and the works of Lenin. It has its hierarchy and its theology, consisting of endless argument about what is orthodox and what is not.

It has its catalogue of sins, among which the worst appears to be heresy or, to use Red terminology, "deviationism". It preaches constantly both to the faithful and to the heathen; the output of its text interpreters, pamphleteers and orators is truly stupendous.

Its ultimate aim is avowed to be, like that of Christianity or Mohammedanism, to convert the world; meanwhile, and perhaps forever, it has its chosen people and its saints. These are the members of the Russian communist party, a tiny minority of the total population of the USSR.

In these various ways Soviet communism is very like a church militant — and intolerant. It will brook no teaching other than its own. The whole truth is in Marx and [illegible] and in works that stem from their creedal writings; everything else in print is a form of error.

On the western side of the fence, unfortunately, an equally fierce fanaticism can be found. The late Sen. Joe McCarthy of Wisconsin, while he lived, typified it. He has no exact parallel among living politicians; but Sen. Barry Goldwater of Arizona ("Conscience of a Conservative") is one among many who rule out co-existence. He preaches, quite frankly, intolerance of communism in every form.

A fuller statement of this point of view was in a recent talk at Williamsburg by Dr. Charles Malik of Lebanon, Christian philosopher and diplomat.

The East-West conflict, as he sees it, is essentially a struggle not between Right and Left but between Right and Wrong. The principle of basic, unspeakable and everlasting Evil is embodied and imbedded in the communist system, he thinks, while the principle of everlasting and unqualified Good may be found in the system that we on our side of the Iron Curtain practise and greatly prefer.

Naturally, according to Malik, the triumph of the Good over the Bad is what every right-thinking person must desire and fight for. Malik's position might fairly be described as American orthodoxy.

It's clear then, that the elements of a holy war or jehad do exist in the contemporary situation. Toynbee was not being fanciful when he suggested a comparison with the deplorable state of affairs in Europe more than three centuries ago.

The wars of religion, which lasted from roughly 1560 to 1650, were partly political and partly economic as all wars are; but they were mainly ideological, stemming from the quarrels set on foot by the Reformation.

One side believed in the confessional, transubstantiation and the supremacy of the pope; the other side rejected these notions as superstitious. And for generation after generation, because of a difference of opinion on these purely theological matters, people were killed by tens of thousands in bloody wars and massacres, their towns were devastated, they were tortured, scourged and burned alive. The Europe of 1648 was a worse shambles than the Europe of 1945.

It would be a great mistake to imagine that the persons who took part in the absurd carnage of those times — absurd to us, though it seemed quite sensible to them — were inferior intellectually or morally to the paragons who now inhabit the earth.

The religious wars coincided in time with the great works of later Renaissance art, the life of Shakespeare, the reign of Elizabeth I and scientific discoveries, by Galileo and Kepler among others, that affect us all to this day.

It was an age very like our own—a period of enlightenment, material progress, advancement in the arts and sciences. **They were people very like ourselves, just as clever and just as ferocious, who burned, pillaged and massacred in the name of their theological beliefs.**

Indeed a curious similarity in the mental climate of the two periods may be detected. To belong to the wrong side in the period of the religious wars, to be a Catholic in Protestant England or a Protestant in Catholic France, was not merely to be misinformed or mistaken. The error was deemed to have the quality of blasphemy.

Members of the opposition faith were not charitably conceded to be preaching false doctrine from thickness of head or invincible ignorance. No, they were engaged in a diabolical conspiracy. Beelzebub himself was one of them, and their extirpation was God's will.

Isn't the situation alarmingly similar in 1960?

Any westerner who suggests that communism is perhaps not 100% foul and monstrous, that maybe it has its uses at certain times and places, that after all it's merely an economic program that deserves to be judged on its merits, at once becomes a kind of moral leper and may even be liable in some jurisdictions to prosecution and penalties. Likewise any Russian who talks in the same way about capitalism or free enterprise, whatever he chooses to call it, is certain to be in similar, probably worse, trouble.

Reds and non-Reds are not yet burning one another at the stake; but plainly they're in a mood not unlike the mood of our European ancestors who threw faggots on the flames in an ecstasy of religious fervor. My argument here, a corollary to Toynbee's, is that this mutual intolerance is an obstacle to co-existence and even a threat to peace.

What can be done about it? Is there any possibility that the nations in the two camps will calm down and stop threshing their old ideological straw? Toynbee's remark suggests that they will have desisted within 100 years; but that is a long time to wait. Can anything constructive be done in the meantime?

As we cannot very easily reach the Russians, not by direct line anyway, the most useful beginning might be to reconsider our own thinking. We might start by recognizing that Dr. Malik, when he talks about communism as Wrong with a capital W — Wrong absolutely, eternally and basically — is proving himself an unrealistic and unobjective historian.

Surely he might just as well say that the Roman Empire, feudalism or the medieval papacy was Wrong and, embodied the principle of Evil. Each of these great historical institutions had both faults and detractors; but all of them lasted a long while and apparently suited a lot of people reasonably well at the time.

In our own age communism is a social system, or more correctly a system of producing and distributing goods, that has come into fashion in some countries. It's unacceptable in the "free world", meaning chiefly West Europe and North America, because here it's totally irrelevant — either as a method of organizing output or for ensuring fair shares.

But it seems to suit, well enough, people at a relatively backward industrial and cultural level, like the Chinese today or the Russians of 1917. If it has helped them, why should we complain?

Certainly it's against our interest that the Soviet Union and China should extend their influence and export their system; but this is a problem of power politics, not ideology. In any case, there is now no system that the Russians and Chinese could together certify and endorse as the only true, authentic and infallible Marxist-Leninist article.

The two big Red nations are seriously at odds on doctrinal grounds because their revolutions are at different stages; and this divergence only illustrates the fact that all human institutions, at all times, are in process of change and flux. Soviet communism may look monolithic but in fact it bears little resemblance to the kind of state prescribed by Marx and Lenin.

Rise of the managerial class has transformed it into a mass-producing, technologically advanced community not unlike the U.S. Conversely, the effect of Marxist thought on Western (including American) policy has been profound. The welfare state is the West's reply, or accommodation, to Marx. It has made the ideological debate almost meaningless. The old argument "capitalism versus communism" is really stone dead because neither capitalism nor communism now exists as defined in the original prospectus.

What, then, keeps alive the phobias that divide humanity and remind Toynbee of the religious quarrels of long ago?

The best short answer, I think, is fear. If the Americans hate Russia, it's because they're afraid of Soviet missiles and nuclear weapons. If the Russians hate the U.S., it's for the same reason. Nothing will allay these fears except settlement of political disputes and disarmament, neither of which causes is yet lost.

But fear is not confessed on either side. How do the objectors to co-existence rationalize their irrational hatreds?

The two rationalizations I encounter most often are that Russia is an enemy of religion and that there's no freedom in Russia or any other communist society.

Khrushchov, it's true, is an atheist. Though he invokes the Almighty more often than might be expected of an unbeliever, and though he is in fact the leader of an intensely evangelical secular church, his Marxism obliges him to proclaim that religion is the opium of the people.

But freethinkers and anticlericals have ruled France, the U.S., and other civilized western lands. And it wasn't Khrushchov who wrote the following paragraph of eloquent if rather high-flown prose:

"The energies of our (solar) system will decay, the glory of the sun will be dimmed, and the earth, tideless and inert, will no longer tolerate the race which has for a moment disturbed its solitude. Man will go down into the pit and all his thought will perish . . . Nor will anything that is be better or be worse for all that the labor, genius, devotion and suffering of men have striven through countless generations to effect."

That stern statement of the irreligious position was from the stately pen of Arthur James Balfour, prime minister of England at the end of the reign of good Queen Victoria. Whether or not Mr. K would go quite so far in pessimism, I can't see his formal disclaimer of religion as a casus belli, especially when the people who want to go to church in Russia are apparenty able to do so.

When the question of freedom gets into this debate, I always recall the remark of an Italian friend of mine about 30 years ago. I had twitted him on his country's loss of liberty under Mussolini.

"What nonsense!" he exclaimed. "You are free to start a new political party whereas we are not. But who in his right mind wants to start a new political party? Are you free, as we are, to sing and dance in the streets? Are you free to have a drink at an outdoor cafe or whenever you please, including Sundays? No, you are miserable, downtrodden slaves of the WCTU." To this I had no adequate rejoinder.

Freedom is a relative matter and depends on what people are used to, ancestrally and in their own time. I suspect that the average Russian feels about as free as anyone else and doesn't especially miss what we call the liberties, including the opportunity to vote for Mr. X instead of Mr. Y, that we cherish inordinately and indeed probably over-prize. These are unknown luxuries, like meat twice a day, to far more than two thirds of the human race. And the actuality as opposed to the theory is still more remote from the great bulk of mankind.

To sum up, the rivalry of the U.S. and Russia for influence in the world, which is strictly in the sphere of power politics, could certainly lead to war. Presuming that humanity wants peace, there is nothing to be gained by representing the struggle as a struggle between Good and Evil, Right and Wrong. This is untrue anyway; and to argue that it's true is only to exacerbate feelings and increase the chances of war.

It may be hoped that the new president of the U.S., whoever he may be, will talk sense about the Russian question instead of the dreary, messianic stuff we have had to put up with in recent years. For if we insist on being fed myths and legends, the atomic holocaust is almost a certainty.

J. B. McGEACHY

"Reds and non-Reds are not yet burning one another at the stake; but plainly they're in a mood not unlike the mood of our European ancestors who threw faggots on the flames in an ecstasy of religious fervor."

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USAF Now Evaluating Canadian Radar Unit

MONTREAL (Staff) — The U. S. Air Force has begun evaluating a Canadian radar navigation system which is already a winner with six international civil airlines.

If it likes it, the outlook is for another rich order for Canada's electronics industry.

Last weekend a big C-130 turboprop transport of U. S. Tactical Air Command rumbled into the air from Montreal's Dorval Airport carrying a **Canadian Marconi Co.** doppler navigation unit.

In the weeks ahead the plane will fly literally all over the world testing the equipment.

U. S. authorities are looking for a system that will do a remarkably difficult job. The assault transports of Tactical Air Command must be able to fly hundreds of miles and then find an exact point, often deep in enemy territory.

In war, it goes without saying, the enemy would make no ground navigation aids available and would do its best to jam any "friendly" aids.

That is what makes the doppler system look like the answer.

It is a radar that watches the ground and, through a computer, remembers exactly where it has gone and thus where it is.

The Canadian Marconi system isn't the only one of its kind, but orders from such airline pace-setters as **Pan American World Airways** and **KLM** indicate it may be the best.

Reports say the U. S. might order "more than 100" of the set it selects.

At present prices that could mean more than $2 million.

Another rumor going the rounds of military aviation circles is that the U. S. might be looking for a self-contained system for a wide range of aircraft. If that is true, and the Canadian equipment is chosen, it might be considered politically essential for Canadian Marconi to set up production in the U. S.

Coupled with the recent unofficial report that **Canadian Aviation Electronics Ltd.** is the winner of a $25 million NATO order for flight simulators (**FP**, July 2), the USAF interest in the Marconi system lights a second bright spot on the often gloomy Canadian electronics picture.

Liquor Prices Cut in Manitoba

From Our Own Correspondent

WINNIPEG — Seven brands of spirits, three whisky, three gin and one brandy, bought by the Manitoba Liquor Commission from **Alberta Distillers Ltd.**, have been reduced in price.

The reductions: 10c for a 26-oz. bottle, 5c on a 12-oz bottle.

The distillery offered to lay down its products f.o.b. Winnipeg at the same price as at the plant. In other words, it agreed to pay freight charges.

The Liquor Commission has a uniform mark-up on its spirituous liquors. As absorption of the freight reduced this cost, the benefit was passed to purchasers.

Although the Commission on occasions have suggested it, eastern distillers have always refused to absorb any part of transportation costs.

Price reductions also have been effected in Saskatchewan (**FP**, July 16).

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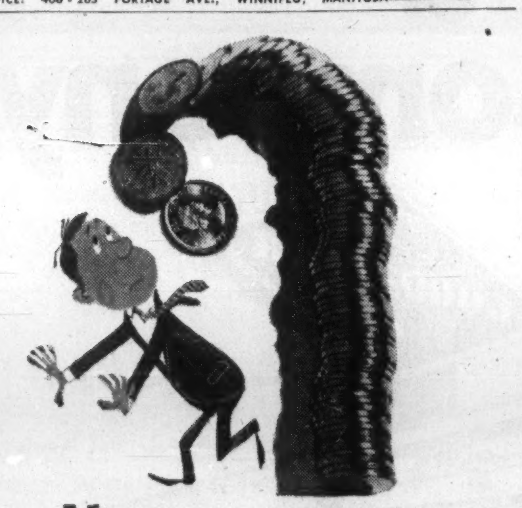

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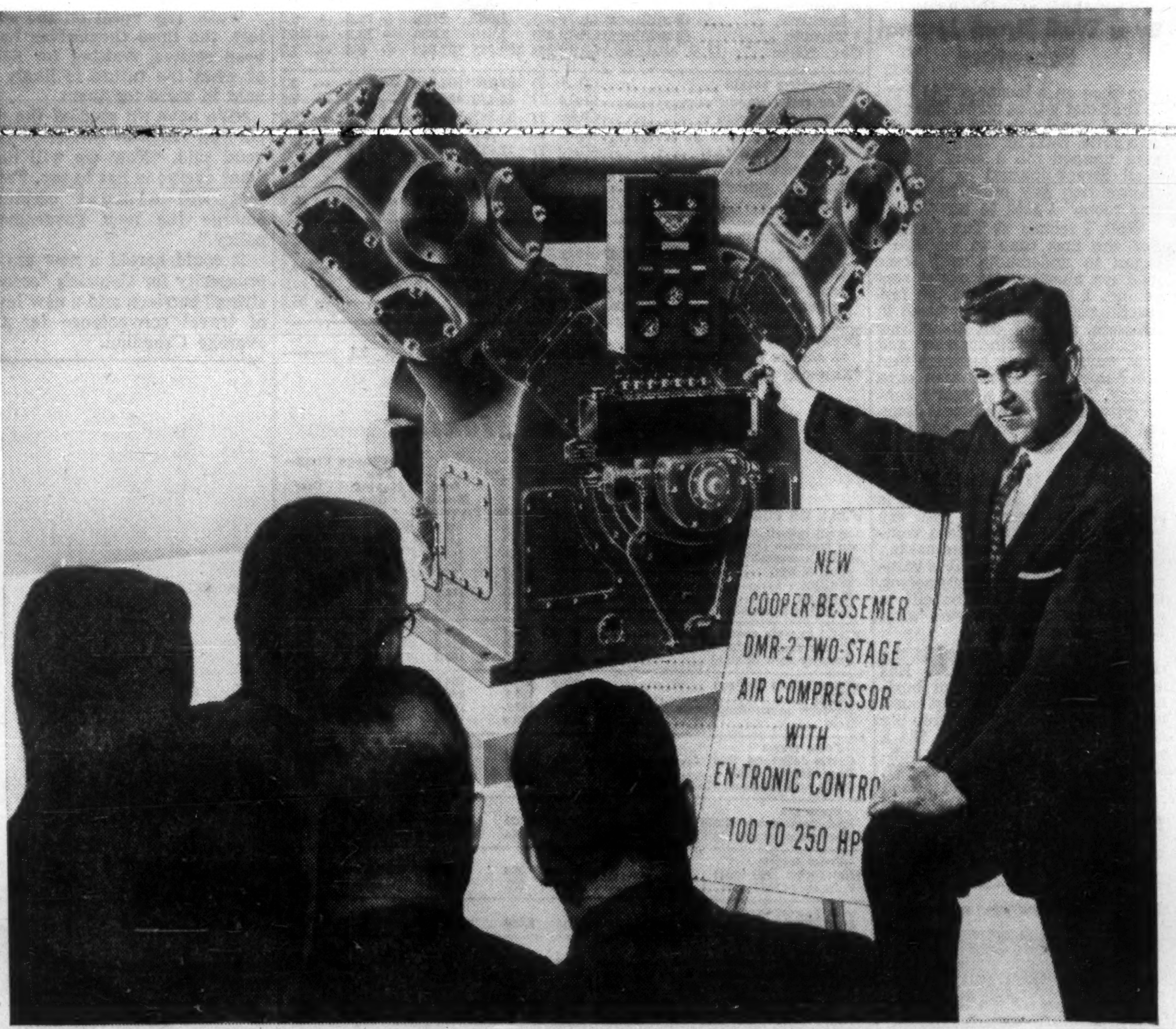


Dann Goodson, *Manager Motor-Driven Compressor Sales, The Cooper-Bessemer Corporation, explains . . .*

How Cooper-Bessemer's new, compact Air Compressors simplify installation and reduce costs

The DMR compressor shown here is one model of a new line of *compact, 720 rpm* machines, unmatched in reliability. With these units, Cooper-Bessemer introduces a new standard of installation economy. So highly compact, the DMR compressors are readily installed in existing space, avoiding the need for additional housing facilities. They can be located at strategic points throughout the plant to supplement existing air line services without additional feeders to help supply your production needs at minimum cost.

The new DMR units come completely equipped with integral motor-drive and intercooler . . . ready for operation. Their control can also be integrally mounted as shown. They are available for two-stage applications in the range of 500 to 2000 cfm and discharge pressures of 80 to 125 psi . . . also for single-stage and three-stage operation.

The introduction of this new line of air compressors, plus the portable tool facilities of our new subsidiary, The Rotor Tool Company, enable Cooper-Bessemer to give you full-scope service for your industrial air power needs. Call the nearby Cooper-Bessemer office or air compressor agent for Bulletin No. 94 on the new DMR line.

Cooper-Bessemer OF CANADA, LTD.
ENGINES: GAS · DIESEL · GAS-DIESEL
COMPRESSORS: RECIPROCATING AND CENTRIFUGAL, ENGINE OR MOTOR DRIVEN
TORONTO, EDMONTON, CALGARY, STRATFORD
NEW YORK 36, NEW YORK

ANNOUNCEMENT

CONTROLS COMPANY CANADA LIMITED APPOINTMENT

ALFRED VILCINI

Dan O'Leary, President of Controls Company Canada Limited, announces the appointment of Alf Vilcini to the newly created position of Director of Operations. Mr. Vilcini has been plant manager of the company's Cooksville operation for the past two years.

Controls Company Canada Limited, with plants at Cooksville and St. Thomas, Ontario, manufacture fractional horsepower motors, controls and accessories for oil and gas heating, refrigeration, air conditioning and a complete line of components for home laundry equipment. The company is also a major supplier of Redmond series type motors for the automotive industry.

BURROUGHS POST

R. C. Cavill, who joined the Toronto sales forces of **Burroughs Corp.** in 1939, has been named general manager for the international division of the company. Cavill has been managing director of the U. K. subsidiary. He will now make his headquarters in Detroit.

FORM COMPANY

John C. Robertson has formed a new market research company —**Associated Marketing Services Ltd.** Robertson was formerly president of **Nation Wide Interviewing Corp.** The new firm will offer interviewing and production facilities in Toronto and Montreal.

(Advertisement)

HOW A BONER HELPED ME EARN $15,000

By a Wall Street Journal Subscriber

One time on a business trip I got to the hotel late at night. The only [illegible] sive suite. Next morning the bellman handed me a copy of The Wall Street Journal by mistake. "Some rich guy must have had this room," I said to myself.

Well, I looked at The Journal. For the first time in my life I began to understand why some men get ahead while others stay behind. I learned about the far-reaching changes taking place in America. I found out about new inventions, new industries and new ways of doing business that are helping ambitious men earn money. I sent for a year's subscription to The Wall Street Journal and, believe me, it has paid off. Last year my income was $15,000.

This story is typical. If you think The Wall Street Journal is just for millionaires, you are WRONG! The Journal is a wonderful aid to salaried men making $7,500 to $25,000 a year. It is valuable to owners of small businesses. It can be of priceless benefit to ambitious young men who want to earn more money.

The Wall Street Journal is the complete business DAILY. Has largest staff of writers on business and finance. The only business paper served by all three big press associations. It costs $24 a year, but you can get a Trial Subscription for three months for $7. Just tear out this ad and attach cheque for $7 and mail. Or tell us to bill you. Address: The Wall Street Journal, 44 Broad St., New York 4, N.Y.

CFP 7-30

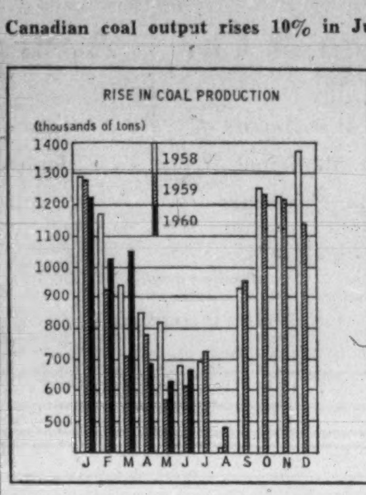
ANNOUNCEMENT

JOHN W. AMES

Harvey R. Smith, Executive Vice-President, Aeronautical, A. V. Roe Canada Limited, announces the appointment of John W. Ames as Vice-President and General Manager of Canadian Applied Research Limited of Toronto. The Company is a Member of the A. V. Roe Canada Limited, Aeronautical Group. Mr. Ames was formerly Chief Design Engineer—Commercial of Avro Aircraft Limited. He succeeds John L. Plant who is returning to his former position with Collins Radio Company of Canada Limited.

Trend of Business

Canadian coal output rises 10% in June to 669,000 tons from 609,637 tons produced in the same month last year. This brought total production for the first half of 1960 up 7.6% to 5.2 million tons. Landed imports in June rose 22% above a year earlier to 1.5 million tons bringing six months' imports up 6.4% to 4.6 million tons. First-half output was larger this year than last in all coal-producing provinces except Alberta and New Brunswick.



Canada's wheat getting smaller share of the world market. Total shipments by four major exporting countries in the first 10 months (August-May) of the current Canadian crop year rose 6% to 821 million bu. from 771.5 million bu. a year earlier. The U. S. and Australia reported greater exports, Canada and Argentina, smaller. Exports in million bu. were: U. S., 425.4 (380.6 a year earlier); Canada, 235.9 (243.8); Argentina, 62.8 (85.5); and Australia, 96.9 (61.6).

New motor vehicle sales rise 5% in May to 58,446 units (55,646 a year earlier) boosting retail value 3.1% to $174.5 million ($169.3 million). Sales of British and European vehicles (included in total sales) advanced 8.5% to 15,102 units (13,916) valued at $30.1 million ($27.8 million). Sales of all vehicles since the beginning of the year totaled 239,148 units, up 2.6%.

A look next door. U. S. steel production, currently running at 54.6% of rated capacity, is not expected to show any significant rise before September, reports Dun & Bradstreet in weekly trade review. New orders from auto industry were lower than expected. Freight carloadings were rolling 4% ahead of same week last year and coal production was up about 3%. Crude oil output was unchanged, electric power production up 6%. Business failures were 7% more than a year ago.

More iron ore from Canadian mines. Shipments in May increased 20% to 2.7 million tons from 2.2 million tons a year earlier, placing the January-May total 6.1% above like 1959 period at 4.1 million tons. Ore shipped for export in May rose 20.7% to 2.4 million tons, and in the five months was only marginally ahead of last year at 3.2 million tons.

Major Weekly Indicators

	Latest or Week	Date Ended	Previous Week	Change from Month ago %	Change from Year ago %
Passenger car production	(July 23)	5,851	6,928	— 26.8	— 1.5
Truck production	(July 23)	1,321	1,609	— 29.2	— 15.2
Bus. fail. 4-wk. moving av. (no.)	(July 14)	27.0	26.0	— 9.4	+ 28.6
Steel ingot production .. (tons)	(July 16)	109,028	103,376	+ 7.7	— 5.1
Steel production .. (% capacity)	(July 16)	84.4	80.0	+ 7.8	— 10.8
T.S.E. industrial index	(July 26)	474.38	482.31	— 2.0	— 14.4
Yield 114 stocks	(July 25)	4.91%	4.85%	+ 1.2	+ 23.7
Chartered banks					
Personal savings . ($ millions)	(July 13)	7,097	7,124	+ 0.2	— 0.6
Loans outstanding ($ millions)	(July 13)	6,201	6,203	+ 1.6	+ 2.2
NHA mtge. hldgs. ($ millions)	(July 13)	982	982	— 0.1	+ 12.6
Bank clearings					
Montreal .... ($ millions)	(July 22)	1,082	1,028	+ 16.6	+ 6.2
Toronto .... ($ millions)	(July 22)	1,816	1,536	+ 13.9	+ 36.7
Cdn. dollar .... (U.S. cents av.)	(July 26)	102.485	102.048	+ 0.6	— 1.7
Carloading totals	(July 7)	67,706	*106,747	— 13.1	— 5.7
Eastern Canada	(July 7)	44,438	*66,301	— 10.5	— 7.6
Western Canada	(July 7)	23,268	*40,446	— 17.9	— 2.0
Iron and steel mfg.	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Ores, concentrates	(July 7)	12,673	*17,062	+ 12.3	+ 13.1
Base metals	(July 7)	429	*762	— 39.4	— 25.1
Lumber, timber plywood	(July 7)	3,729	*6,533	— 18.2	— 22.2
Cement	(July 7)	604	*956	— 18.4	— 15.2
Bank of Canada holdings of					
Securities .... ($ millions)	(July 20)	2,729	2,750	+ 2.4	+ 1.1
Short-term govt. . ($ millions)	(July 20)	885	900	+ 7.8	+104.9
Long-term govt. .. ($ millions)	(July 20)	1,768	1,773	— 0.1	— 19.3
Other securities .. ($ millions)	(July 20)	14	14	——	— 26.3
Department Store Sales					
% change from year earlier	(July 9)	+10.3	+5.6	+ 1.1	——

*Nine-day end-of-month period.

Facts by the Month

WHAT WE PRODUCE—	Latest Month		One Month Previous	Change From— Two Months Ago %	Change From— Year Ago %
▪In all industries (Index)	May	169.9	164.4	—0.4	+2.2
▪In factories (Index)	May	153.3	147.9	+1.3	+0.3
▪Total nondurable goods (Index)	May	153.0	147.5	+2.0	+2.0
Food & bev.	Apr.	133.9	127.8	+7.2	+0.2
Textiles	Apr.	125.7	136.9	—4.5	—2.9
Clothing	Apr.	115.0	119.7	—3.9	—0.9
Chemical products	Apr.	224.7	214.1	+5.1	+20.2
▪Total durable goods (Index)	May	153.7	148.4	+0.6	—1.5
Iron & steel products	Apr.	141.2	146.0	—2.9	+2.2
Primary iron & steel	Apr.	168.8	186.5	—8.3	+0.5
▪From mines (Index)	May	251.7	234.0	—1.7	+6.8
Metals	Apr.	187.1	196.9	—10.0	—5.7
Nonferrous smelting, refining	Apr.	163.1	160.4	+6.3	+8.8
Gold	Apr.	106.6	109.4	—5.5	—2.6
—From farms					
Cattle delivered (000)	Apr.	136	176	—2.2	+1.5
Hogs graded (000)	Apr.	555	689	+1.3	—19.3
Grain mill products (Index)	Apr.	129.3	129.8	+2.8	—2.5
—From sea					
East Coast catch ($000)	May	10,021	2,940	+489.8	+46.5
West Coast catch ($000)	May	2,054	762	+721.6	—18.9
—From forests					
▪Newsprint (000 tons)	June	566	563	+3.5	+6.0
Pulp (000 tons)	May	933	905	—3.6	+1.0
—In powerhouses					
Electricity (million kwh.)	May	9,368	9,411	—7.0	+7.2
WHAT WE SELL—					
Retail sales ($ millions)	May	1,407	1,422	+11.0	—3.2
Dept. store sales ($ millions)	May	116.5	116.5	+14.4	—0.8
Wholesale sales ($ millions)	Apr.	696	765	+2.7	—2.4
Mfrs. outstdg. orders ($ millions)	May	2,178	2,199	—3.1	+8.4
▪Pass. car sales (units)	May	50,789	50,124	+48.7	+6.5
WHAT'S ON HAND—					
Mfrs. inventories ($ millions)	May	4,479	4,485	+0.1	+2.7
Dept. store stock sales ratio	May	3.0	2.8	—3.2	+11.1
SPENDING, SAVING POWER—					
Labor income ($ millions)	Apr.	1,487	1,463	+1.8	+4.2
Dividend payts. (Index) (annual rate)	June	320.4	319.5	+0.6	+6.7
JOBS—					
▪Persons with jobs (000)	June	6,154	5,992	+7.2	+1.7
▪Jobless seeking work (000)	June	300	399	—42.0	+28.2
▪Do (% of labor force)	June	4.6	6.2	—44.6	+24.3
CONSTRUCTION—					
Contract awards ($ millions)	June	306	301	—23.3	—6.4
FOREIGN TRADE—					
Exports ($ millions)	May	486	369	+10.5	+12.8
Imports ($ millions)	Apr.	477	476	+5.1	—7.8
MONEY—					
Money supply ($ millions)*	Apr	12,809	12,684	+2.5	+0.3
Cheques cashed ($ millions)	Apr.	23,221	22,754	+5.3	+8.3
Life insurance sales ($ millions)	May	558	442	+9.4	+16.0
Notice deposits ($ millions)	May	7,623	7,675	+0.1	—1.6
Current public loans ($ millions)	Apr.	6,113	6,059	+1.2	+4.0

*Total deposits, less Govt. of Canada deposits, less float, plus notes in circulation outside the banking system.

PRICES—	Latest Month		One Month Previous	Two Months Ago %	Year Ago %
Consumer prices (Index)	June	127.6	127.4	+0.1	+1.4
Wholesale prices (Index)	June	231.9	231.3	+0.3	+0.6

STRATEGIC MATERIALS—Production and Supply—	Latest Month		Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	Apr.	516	488	2,233.6	+20.0
Nickel (000 tons)	Apr	17.5	15.5	69.1	+35.2
Primary copper (000 (tons)	Apr	34.3	32.1	144.9	+23.6
Lumber exports (million fbm.)	Apr.	323	390	1,377.9	+5.4
Lumber (million fbm.)	Apr.	515	539	2,478.9	+3.3

▪New item this week

Index based: production 1949=100; consumer price index 1949=100, wholesale price index 1935-39=100

Date of issue for your file, The Financial Post, July 30, 1960.

Good News For Travelers

(CONTINUED FROM P. 1)

with main business and traffic points.

Both **Quebecair** and **Nordair** of Montreal are applying.

As Nordair is a subsidiary of **Maritime Central Airways**, permission to fly the route would virtually mean a new airline giant filling all the gaps between Toronto and Halifax.

● **The future of Prairie services.** This is very important, as **Trans-Canada Air Lines** has served notice that with retirement of its DC-3 fleet next year it can no longer serve the Prairie towns of Lethbridge, Medicine Hat, Swift Current, Yorkton and Brandon.

There is neither the business nor the airfield facilities to allow the line to use Viscounts, which will then be its smallest equipment.

As things stand at present, airmen feel, no airline is likely to want to take over the route pattern unless — and this is a big unless — Ottawa is prepared to sweeten the pot with some form of subsidy.

If Ottawa is prepared to do that, the outlook is for a small stampede of carriers wanting to take over from TCA.

Either way the Prairie services pose a problem for Ottawa. Not to subsidize promises the politically unappetizing prospect of withdrawing air service from the area. But to subsidize opens the flood gates for similar applications from points across the country.

Other applications pending before the board cover new services into the North from a number of points and into Newfoundland from Quebec.

It is expected that still more applications will arrive at the board's offices in the next few days.

During the upcoming raft of hearings almost everyone, from airline presidents and local boards of trade down to the average airline passenger, will get a chance to have his say on how airlines should be run in Canada.

Most observers expect some fireworks.

All concerned have been anxiously waiting for the announcement of a hard and fast government policy for Canadian air carriers.

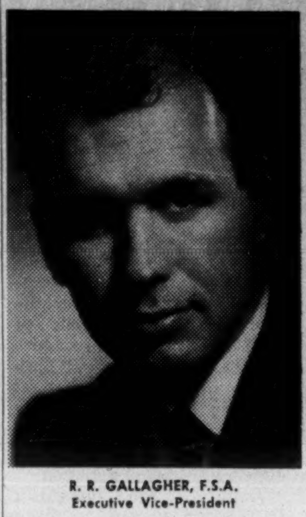
While less vocal on the subject, the lines themselves have been restive, waiting for news of what the future is likely to hold in store for them.

"We have all studied the report on regional carriers," [illegible] voud said. "Now we will hear what everyone has to say. From that will almost certainly emerge the new government policy."

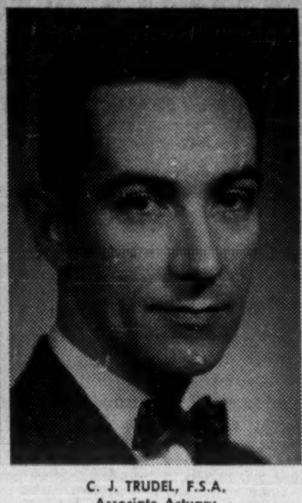
It could herald a new era of prosperity for Canada's "second string" carriers, and a new level of travel convenience for the average Canadian.

ANNOUNCEMENT

CANADIAN REASSURANCE COMPANY

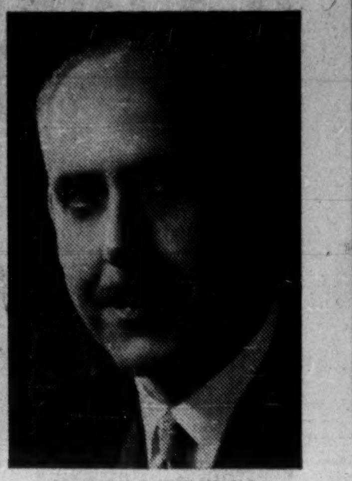


R. R. GALLAGHER, F.S.A.
Executive Vice-President



C. J. TRUDEL, F.S.A.
Associate Actuary

M. SALES
Secretary and Chief Underwriter



JONATHAN C. SINCLAIR, M.D., F.R.C.P.(C.), M.R.C.P. (London), Medical Director

At the first meeting of the Directors of Canadian Reassurance Company held recently the above executive officers were elected.

Why They're 'Frantic' About Dow-Jones Average

(CONTINUED FROM P. 1)

sinking New York market has carried the D-J industrials close to the 600 level (closed at 606.75 on Tuesday).

The big question: Will the twice-tried resistance point hold again?

Market technicians are placing heavy importance on the next few days' trading action.

A breakthrough here on the downside would be a significant indication of market weakness. It could bring a wave of technical selling—initially, at least—that would affect all stock groups in both countries.

A study of the market records over the last year indicates that the next strongest resistance area would occur in the 570-580 range of the D-J industrials —representing a further approximate 5% decline from here.

(On the other hand if the magic 600 level holds inviolate again, a third market recovery move will probably get under way — the previous two were good for 30 and 55 points respectively.)

Although recently exhibiting mounting resistance to New York's sinking action, Canadian stocks would almost certainly fall in sympathy — although not likely as far.

Since June 13, when U. S. markets started to slide again, the D-J industrials tumbled [illegible] points; the Toronto Stock Exchange industrial index only about half as much (from 500 to 472).

Cold War jitters and lower second quarter earnings have been major market depressants across the line.

Continuing disappointing orders position in such key items as steel, automobiles, household appliances has also been clouding the forward business picture.

Although all this hasn't stepped up market selling pressure appreciably it has further dried up the limited buying support.

Actually, day-to-day volume indicators have been bullish with daily turnover declining on sinking markets.

Traditionally, U. S. markets rise in pre-election months, buoyed up partly by election promises, sometimes by economy-bolstering measures by government.

New York investment experts feel that the Federal Reserve Board will take some action to stimulate the economy again if orders for September delivery don't begin to materialize by early August.

There's a fair chance that market margin requirements — still at 90%—will be reduced to ease credit.

Although there's increasing evidence that Canada's boom is topping out, there's probably enough steam left to enable most industries to slightly outpace—or at least match—last year's earnings records.

Individual Canadian stocks are able to put on short independent shows, but the general day-to-day market action remains sluggish, with investors seeing little incentive to either buy or sell.

MONCTON CONTRACT

From Our Own Correspondent

FREDERICTON — A Moncton firm, **Modern Construction Co.**, has been awarded a $1,555,000 provincial government contract. Public Works Minister Andre F. Richard said the contract covers construction of the new Technical Institute at Moncton.

Icebreakers New Farm Aid If N.B. Idea is Tried Out

From Our Own Correspondent

SAINT JOHN — Can an icebreaker help the farmer?

Some folks in the St. John valley think so.

Here's why:

The broad St. John River freezes over relatively lightly upstream 90 mi. from its mouth to Fredericton.

The ice runs out around mid-April.

Some farmers — backed by businessmen in Fredericton and Saint John — believe that if the ice were smashed in February it would not form again.

Wind, sun and tidal force would keep it broken.

The results:

- **A reduction in costly flood damage.**
- **Farmers can get on the rich bottomlands sooner.**

The idea has been talked over by the Saint John Board of Trade.

A formal request to federal authorities is likely in time to allow experimental ice-breaking in the spring of 1961.

Telephone Stock Sellers Facing Hearings in N.B.

From Our Own Correspondent

SAINT JOHN — Public hearings have been scheduled into the operations of companies located in New Brunswick and selling stocks by telephone in the U. S. (**FP**, July 23).

Arrangements for the hearings are being made by David M. Dickson, newly-appointed administrator of the New Brunswick Security Frauds Prevention Act.

Dickson was appointed to succeed G. Earle Logan.

The action to call hearings climaxed several days of rapidly-moving events.

Dickson, immediately after his appointment, suspended the licenses of **A. G. Powis & Co.** and **Trans-Nation Minerals Ltd.**

He froze the assets of **Canam Investments Ltd., St. Stephen Nickel Mines Ltd.** and **Kennamet Mines Ltd.**

Also frozen were assets of Kenneth H. Gregory, Montreal; Alan Champagne, Montreal; A. G. Powis, Saint John; and A. J. Gerra, Saint John.

[illegible] Gerra is president and Champagne is secretary of Canam Investments.

Canam had voluntarily surrendered its New Brunswick license after former attorney-general R. G. L. Fairweather had announced in the dying days of his administration that an investigation was to be launched.

Cdn. Gen. Invest. Earnings Higher

Canadian General Investments Ltd., Toronto, unaudited net profit for the six months ended June 30, 1960, was $750,830, up 6.4% from $705,483 in the comparable 1959 period.

Earnings were equal to 78c (73c) per share.

Apparent liquidating value at June 30 was $43.32 ($49.42 last year) per share.

in good Company

GOODYEAR KIPLING AVE., NEW TORONTO, DISTRIBUTION CENTRE. R. C. BERKINSHAW, CHAIRMAN OF THE BOARD; L. E. SPENCER, PRESIDENT; W. A. CLARK, CHIEF ENGINEER; CONSULTING ENGINEER: R. G. WATSON

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ANNOUNCEMENT

HURON & ERIE — CANADA TRUST APPOINTMENT

R. K. BANISTER

The Huron & Erie Mortgage Corporation and The Canada Trust Company are pleased to announce the appointment of Ronald K. Banister to the Companies' Edmonton Advisory Board.

Mr. Banister is president and general manager of Banister Construction Co. Limited, president of Huron Building Supplies Ltd., and Huron Charcoal Ltd., and director of The Edmonton Canadian Insurance Company and Arctic Shipping Ltd.

NEW OFFICES

Lake Ontario Portland Cement Co. has moved its executive and sales offices to Carlton Towers, 2 Carlton St., Toronto 2. Reason: Increased business.

ANNOUNCEMENT

SEPARATOR ENGINEERING LTD. APPOINTMENT

L. S. LOVE

Bernard Kahane, president of Separator Engineering Limited, announces the appointment of L. S. Love to the position of Eastern Sales Engineer. Mr. Love, a chemical engineering graduate of McGill University, served with the RCAF during World War II, and was previously associated with General Electric and Infilco as Canadian District Manager. Since joining Separator Engineering, Mr. Love has specialized in dust control and grinding equipment.

Mr. Love's new position puts his nine years of experience with process equipment behind the complete line sold and serviced by Separator Engineering Ltd. This action is part of the overall plans of The Separator Group for more extensive coverage throughout Canada.

TANKOOS YARMON
LIMITED
Realty Investments

McGILL STAFF DEVELOPMENT INSTITUTES

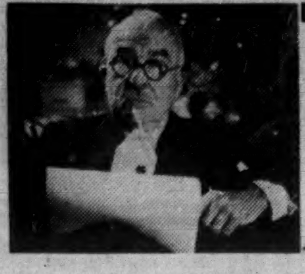
August and September Courses

Personnel Interview Workshop
August 29-September 2, 1960
Designed for persons engaged in campus recruiting.
Led by Dr. Edward C. Webster, McGill University

Wage & Salary Administration Seminar
September 12-16, 1960
Designed for managers who have an influence on wage and salary policy.
Led by Dr. Jay L. Otis, Western Reserve University

Human Engineering Institute
September 7-17, 1960
To introduce design engineers to literature and techniques of human engineering.
Led by Dr. C. H. Baker of Defence Research Medical Laboratories and associates.

For information please write to:
Dr. David D. Smith
Course Director
Staff Development Institutes
3684 McTavish St., Montreal



SIR BEVERLEY BAXTER

writes from London

It is difficult to understand why cricket is regarded as a sort of out-of-doors religion . . .

HOW OLD is a man? Recently this solemn question rose to my mind twice in one day.

The first occasion was a large luncheon given in honor of Hon. Robert Winters, president of **Rio Tinto Mining Corp. of Canada.**

There before our eyes was the 89-year-old Sir Edward Peacock who shrugs off the years like snowflakes from the shoulders of an overcoat.

Close to him was Lord Beaverbrook who is a mere 81 and still beats the Empire Drum. For many years the Beaver has boasted that he not only holds no office in his newspaper kingdom but takes no part in its administration.

It is quite true that he holds no office, but not even a stage detective would be fooled by the other part. Altogether it was a lively and vigorous affair.

* * *

THERE IS a cloud, somewhat bigger than a man's hand, on the Roy Thomson scene.

For many years Lord Kemsley's Sunday Times and the Astor family's Sunday Observer were the two recognized "Class" publications for the Sabbath Day.

The Sunday Times especially reached new records in circulation and advertising revenue.

But now the Daily Telegraph proprietors have announced that in due course they will bring out the Sunday Telegraph, which means that a third newspaper will now take its share of the class Sunday readership and, of course, the class Sunday advertising.

* * *

A GREAT BANQUET at the House of Lords called for dinner jackets and black ties.

In the splendid setting of the Peers' dining room there was a strange mixture of age and youth.

Sitting at the top table was the little bantam, Earl Attlee, whose imperturbability never changes even when his wife takes him motoring and bashing into things.

His total of years is a mere 77, but time is on his side.

And since it was a dinner in honor of the visiting South African cricket team, it is appropriate to say that Attlee looks certain to reach his first century.

Our host was the 82-year-old Lord Dovercourt who ruled the Kingdom of Beecham's Pills for so many years. Every time that a cricket team from Australia or New Zealand has come here for "The Test Matches", he has thrown a banquet at Westminster in honor of the visitors.

But now he informed us, much to our sorrow, that this was to be the last.

To those of us who are Canadians, it is difficult to understand why cricket in England is regarded as a sort of out-of-doors religion.

In fact, it is so deeply steeped in tradition that at this dinner the high and mighty Lord Chancellor himself proposed the toast to our visitors from South Africa.

As the Lord Chancellor is only 60 years of age we felt it was rather daring to entrust him with so important a toast. But time is on his side.

Quite frankly the best speech of the night came from the young, good-looking captain of the South African Team, who opened his innings with:

"All day I have been searching for something to say in this speech, and now I feel like the spy who got into the Kremlin and the only thing he could find was the result of the next election."

* * *

ALTHOUGH Parliament is rising for the long vacation, we are warned to let the party whips know where we will have gone in case members have to be recalled for an emergency.

But whether an emergency develops or not there can be little respite for Harold Macmillan.

It might be said that the Conservative Party has split into two sections:

- **Those** who want Britain to join the Common Market.
- **And those** who want to stay out so that Imperial Preference can be maintained.

It is indisputable that British manufacturers will feel the draught when the Common Market really gets going.

Yet, on the other hand, there are 650 million people in the Commonwealth and only 160 million in the Common Market.

It is estimated that, if Britain joined the market, we would have to pay £400 million more in food prices. The struggle might be described as between the Little England-Europeans and the Vast Commonwealth.

With so many problems it is no wonder the Chancellor of the Exchequer looks 10 years younger since the announcement of his forthcoming resignation.

* * *

IN THE WEEK under review, Macmillan summoned a group from the leaders of industry and urged them to prepare a new, vital export drive.

Speaking at a big hall in Westminster he told 400 representatives of the Association of British Industries and the National Union of Manufacturers: "The June figures present a challenge. If there is a temporary dip let us make sure that it is more than made good in the months ahead."

Then with his gift of dramatic effect he said: "We are a nation of merchant adventurers — and we must venture forth."

To which he added with one of his "throw-away" asides:

"Exporting is fun!"

* * *

NOW LET the trumpets sound!

An Englishman named David Broome, riding a horse called "Sunslave", has won the King George V Cup for England at the Royal International Horse Show at the White City, against formidable overseas competitors.

His was the only clear round of a jump-off of 12.

As we have already won the Test series from South Africa, the British may develop a superiority climax in sport. Certainly I have never seen a man and a horse reach such an astonishing and understanding partnership.

* * *

THERE WERE great doings this week when King Bhumibol Aduldej of Siam and his very pretty consort, Queen Sirikit, arrived in London on a state visit.

There was such a picture story atmosphere about it all, that it seemed entirely appropriate that among those present was the British Ambassador to Siam, who bears the magic name of Sir Richard Wittingdon even though he had never been the Lord Mayor of London.

The forebears of King Bhumibol could condemn a man to death with a mere nod of the head.

But today the absolutism has gone even if the trappings remain.

For example, the King can crown himself and his Queen because no one else can wield such authority.

However, I am glad to report that King Bhumibol, despite his inscrutable face and his habit of wearing a uniform, has proved a wise ruler and is even willing to accept the facts of life.

He admits that democracy is essential to the happiness of his people, providing that the basis of Thai rule should be a well chosen assembly whose members are appointed by Marshall Thannarat.

No wonder Harold Macmillan strolled among the guests with a pensive air.

He was probably pondering on the many shapes that power takes.

THE INVESTMENT FUNDS

Corporate Investors Ltd. Per Share Assets Up 1.2%

Corporate Investors Ltd., Toronto, reported total net assets at June 30, 1960, of $9,082,231, up 2.6% from $8,849,088 three months earlier.

Net asset value per share at $8.45 increased 1.2% from $6.35.

There were net sales of 15,925 shares in the quarter increasing the outstanding capitalization to 1,075,110 shares. The fund sold 24,580 shares and liquidated 8,655 shares.

During the quarter, the fund increased its holdings of government and government guaranteed bonds by $125,000 and reduced its corporate bond holdings by $8,000.

Two preferred stocks were increased and fund's holdings of second preferred stock of **Union Acceptance Corp.** was liquidated.

In its holdings of common stock, the fund eliminated **Canada Packers Ltd.** Class "B". Five other commons were increased and four reduced.

Here are the changes for the quarter in detail:

	Amt. held June 30/60	Chge. since Mar. 31/60
Bonds:	$	$
Canada 5½%/75	300,000	+300,000
Do. 4¼%/72	350,000	+150,000
Do. 5½%/60	nil	—100,000
Do. 5½%/62	nil	—125,000
Do. 3¾%/65	nil	—150,000
C.N.R. 5½%/64	50,000	+50,000
Cdn. Oil Cos. 4%/76	42,000	+17,000
St. Lawrence Corp. 6¾%/80	10,000	+10,000
Consol. Denison 5%/62	nil	—15,000
Traders Finance 5¼%/62	nil	—20,000
Preferred:	—Shares—	
B.C. Electric 4%	475	+475
H. Smith Paper	2,000	+1,000
Union Accept.	nil	—1,500
Common:		
Bk of N.S.	2,250	+450
Royal Bank	2,500	+300
Imperial Oil	3,000	+900
Price Bros.	3,000	+1,500
Cdn. Breweries	2,400	+400
B.A. Oil	1,800	—200
Can. Wire & Cable	2,300	—100
Can. Packers 'B'	nil	—1,500
H. Smith Paper	1,500	—500
C.P.R.	3,500	—3,000

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Travel Tips

NEW HOTEL for Jamaica, is to be ready next winter. The 20-room **Casa Monte** in the popular Stony Hill section of Kingston, is to have a restaurant, cocktail lounge and swimming pool.

* * *

AIR SIGHTSEEING TOURS of Puerto Rico are now offered by **Coastal Airways.** Parties of four, six or eight are taken up in twin engine Aerocommanders and C-18 Twinbeech planes. Cost: $8 per person.

* * *

ELECTRONIC BRAIN, for reservations on **Air France's** world-wide network is to be installed in Paris early next year. Claim is that it will be able to process all data related to reservations within 5 sec.

* * *

VENEZUELA TOUR, is to be offered by **LAV (Venezuelan) Airline.** The seven-day holiday costs $299.50 per person and includes round-trip air fare from New York, hotels, meals, sightseeing, ground transportation, etc.

* * *

PARIS MAY HAVE a big new hotel—its first since the war. Gare d'Orsay, on valuable government property overlooking the Seine is for sale on condition that a 1,000-room hotel is built on the site. A number of hotel chains have expressed interest.

* * *

GROWING POPULARITY of Majorca (also spelled Mallorca), has resulted in greatly increased air service to Spain's Mediterranean islands. From U.K., for instance, **BEA** offers 23 weekly services during the summer. London is the starting point for 19 flights, Manchester for four.

* * *

WOODSY TYPES are invited to gather at Belleville on the Bay of Quinte on the July 30 to Aug. 1 holiday weekend. The occasion: Summer Field Meeting sponsored by the Federation of Ontario Naturalists and the Quinte Field Naturalists Club. Bird - watchers, conservationists, geologists and amateur biologists may join the group for expert tuition in their special subjects and organized "field study" in this lovely section of Ontario.

* * *

COMMONWEALTH AIR POOL, operated by **BOAC, TCA, Air India** and **Quantas** will operate 200 flights a week between North America and the U. K. during the summer travel peak. Thirty of these roundtrip flights serve Canada.

* * *

SHANNON AIRPORT has been modernized to keep pace with modern jet travel. A new, 10,000 ft. runway was opened for daylight jet flights July 3, will be ready for night service in August. Passenger lounges, restaurants and the duty-free shop have been expanded and modernized. Freight-handling facilities have also been increased.

* * *

DAILY AIR SERVICE between North Sydney, N.S., and the French island of St. Pierre, will be operated to Sept. 5 by **Air-St. Pierre** (subsidiary of **Maritimes Central Airways**). Flight time: 1 hr. Cost: $60 roundtrip. Also available are 48-hr. package tours for $68 per person and including transportation plus room and board at **Hotel Ile de France.**

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The Financial Post, Toronto

1,000-Lane Bowling Chain For Canada

Ground breaking ceremonies were to be held this week in Toronto for the first of a chain of 30 tenpin bowling establishments to be operated by **American International Bowling Corp. of Canada.**

Cost of buildings and equipment for the chain's projected 1,000 lanes may exceed $30 million, says Lloyd R. Ludwig, president, **American International Bowling Corp.,** New York.

The Canadian company is a wholly owned subsidiary of the New York firm.

Ludwig has signed a letter of intent covering an order for $14 million worth of bowling lanes, automatic tenpin setters and other equipment with **Brunswick - Balke - Collender Co. of Canada,** Dixie, Ont.

Individual contracts with Brunswick covering equipment for each of the new bowling establishments will be signed as sites are selected across Canada.

Financing of the chain has been arranged through **H. B. Sussman Associates Ltd.,** Toronto investment real estate firm.

This will be done on a lease-back basis through private Canadian investment groups.

B. C. Ferries Take $300,000

From Our Own Correspondent

VICTORIA—In the first month of its operation, the B.C. Government's new ferry system did a $300,000 business, according to figures made public by Premier Bennett, who is also Minister of Finance.

Two ferries make eight round trips a day between Swartz Bay, north of Victoria, and Chewassin, south of Vancouver.

The government spent $10 million putting the service into operation.

In the first month the ferries carried 25,549 vehicles and 80,228 passengers. Average revenue per trip was $660.

If business keeps increasing, the premier said, it may be necessary for the government to build two more ferries in a few years.

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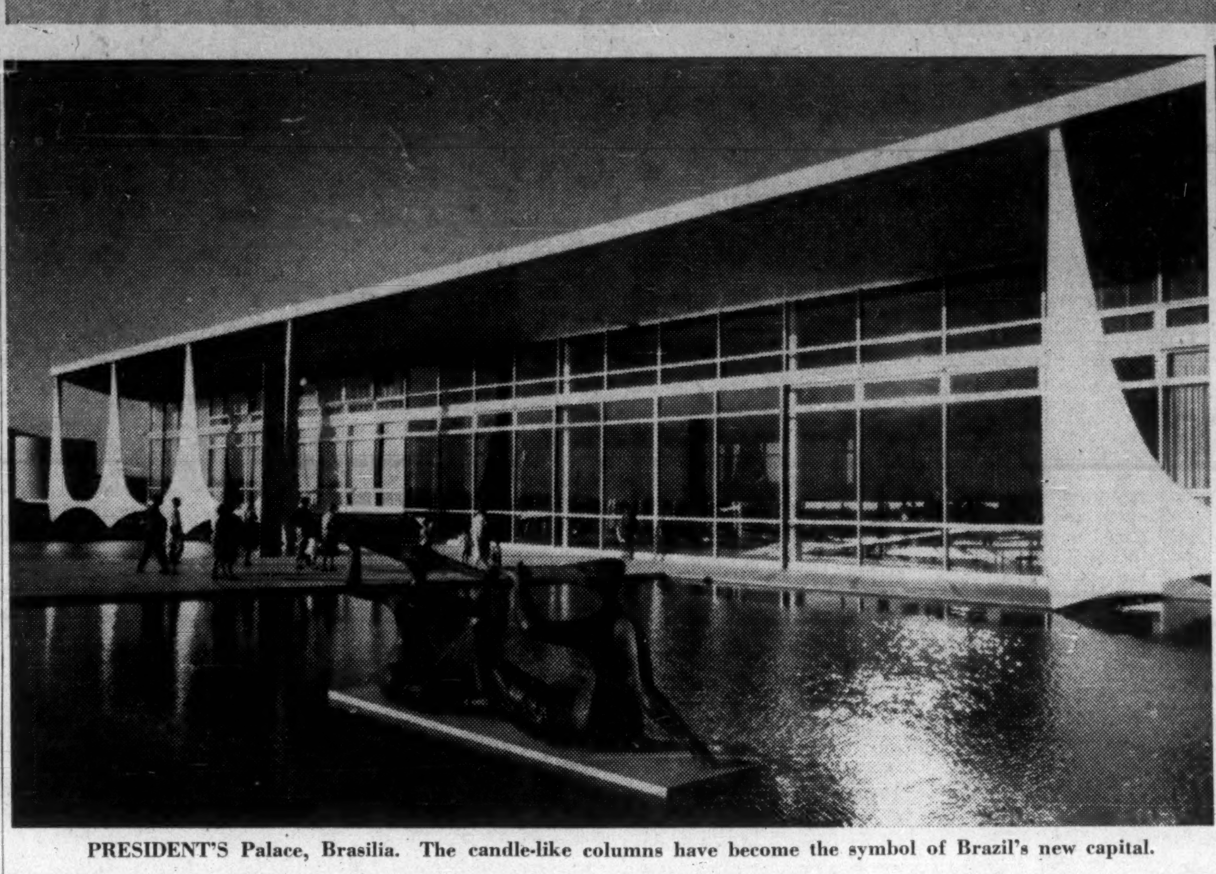

PRESIDENT'S Palace, Brasilia. The candle-like columns have become the symbol of Brazil's new capital.

Bold, Exciting Frontier City: That's Brasilia

By BEATRICE RIDDELL

It is not the most beautiful city in the world—yet.

And far from being a sophisticated centre of fine restaurants, luxury hotels and varied entertainment, it still has much of the atmosphere of a "frontier town".

But Brasília, the official capital of Brazil since April 21 of this year, is certainly the number one sightseeing attraction in South America. And it's the world's most exciting example of modern architecture and city planning.

I visited Brasilia as the guest of Brazil's Varig Airlines early in July. And though I had heard a great deal about the new capital I was quite unprepared for what I saw.

It is an eerie sensation to fly over the big plateau that surrounds the capital of a country nearly as big as Canada and see nothing but some scrubby trees. Just before you land you see the white buildings, the artificial lake that will eventually surround the city; the broad avenues and the outline of Lucio Costa's bold "airplane-shaped" city plan.

Everything is temporarily obscured by a dense cloud of red dust as the plane touches down on the runway.

Heavy construction is going on everywhere. And in this semi-arid, red-soil area the dust is a big problem. Everything is covered with it—cars, jeeps, the big gum boots of the men working in the streets and even the leaves of the trees.

But although the city is far from complete there is plenty to gape at—especially the buildings designed by world-famous Brazilian architect Oscar Niemeyer.

Most exciting to date are:

- **Palace of Dawn** — the president's official residence. Its candle-like columns have become the symbol of Brasília. The sculpture in the ornamental pool in front of the building and beside the swimming pool at the rear have been hailed by critics all over the world as great examples of modern art.

The small private chapel beside the residence looks very "modern Moorish".

- **The Cathedral** — shaped rather like an inverted tulip — was one of Niemeyer's prize-winning designs.
- **The three main government buildings,** arranged in the shape of a triangle on an impressive square, are the Judiciary — two tall slim buildings; the Senate—a dome; the Chamber of Deputies — a giant saucer.
- **The box-like buildings housing** the various ministries are set in a neat row on a long esplanade leading from the Chamber of Deputies.

When you have seen these, you will know why Niemeyer and his associates are national heros.

But the greatest hero of Brasília is President Juscelino Kubitschek whose determination and inspiration are responsible for the city being built.

For nearly 200 years there has been talk of moving the capital of Brazil to the interior. It has long been realized that this vast, uninhabited region could only be developed by moving the federal government inland—to act as a magnet for people and for industry.

In recent years, as the expanding coastal cities pushed up against the wall-like mountains that border the coast, it became even more urgent to find a new capital site.

But the plan was constantly put aside until Dr. Kubitschek set about making good his election promise to move the government to Brasília during his term of office.

In less than three years the city has risen out of a no-man's land. There are now about 90,000 people settled there, and hundreds are moving in every week.

A road, 1,100 mi. long has been built (not yet paved) through dense jungle to connect Belem in the north with Brasília. It opens up two million sq. mi. of Amazon region known to be rich in minerals. And it will serve as the backbone of a new network of roads in the interior.

Highways to Rio and other key cities are completed and paved.

The whole project is a tremendous feat of engineering skill and national determination.

There has been plenty of criticism and scepticism. A small museum near the president's office building houses thousands of newspapers and magazine clippings on Brasília from all over the world. The vast majority of early articles say "It can't be done". Now they are changing their tune.

At the moment there are only a few restaurants and shops and a couple of night clubs. But there will be a great variety of recreational facilities in time.

Costa's plan calls for a golf course, yacht club (on the artificial lake), sports fields, cultural and recreation centres, a zoo, biological gardens and big fair ground.

Brasília, on a high, dry plateau with a year-round temperature range of about 65 deg. to 75 deg. will have a climate advantage over Rio and São Paulo. The east coast cities are hot and humid in summer.

Very different from the new capital is the "free town" a few miles away. Here the men who are building Brasília live with their families. The place looks like a movie set for an early Western except that in the wooden shacks that serve as stores you see the most modern refrigerators, radios and other mechanical household helps for sale.

When the capital is finished, the free town is to go — otherwise it would be a horrible slum suburb.

Camera-toting tourists are coming to Brasília today along with businessmen, government officials and representatives of foreign governments.

They don't stay long, because there is not much to do there at the moment.

Once they have seen the city they move on to the more varied pleasures of Rio, São Paulo and other "old" cities.

But before long this will be an ideal tourist centre.

At present the only hotel — Brasília Palace — is doing roaring business. It is important to have a reservation in advance since many of the permanent residents have to stay at the hotel until their apartments are finished.

Another Niemeyer creation, the hotel is attractive, has a lovely terrace overlooking the lake and boasts an excellent restaurant. Rates (which like other Brazilian hotels vary from week to week) range from about $4 to $6.50 for a single room with bath.

More hotels are to be built soon. One of them will be operated by **Hilton.** And other hotel chains are being invited to look carefully at Brasília.

"We want more foreign investment in all phases of the tourist industry—except gambling," said President Kubitschek. "We want all the tourist dollars we can get."

Almost as exciting as Brasília is the miracle of jet air travel that has made it possible to cover the 4,500 mi. between New York and the new capital in about 8½ hr. (In a piston-powered plane it is about 20 hr. on the 5,000-mi. New York to Rio route.)

Varig (with three direct flights a week) and **Pan American** (with one a week) are the only airlines flying jets from New York to Brasília at the present time.

Here you can make immediate connections for Rio, São Paulo and other cities via Varig Caravelles. **Braniff** flies jets to São Paulo via other South American cities.

Now that Rio's airport has been expanded to accommodate the big jets, these airlines will have jet service to the "old capital".

From New York, roundtrip first-class fares (including jet surcharges) are $898.10 to Brasília, $916.10 to Rio or São Paulo. Tourist: [illegible]

Your Dollar Is Worth . . .

(Rates relative to the Cdn. dollar)

	Recent	Month Ago
Argentina, peso paper	.0119	.0547
Australia, pound	2.205	2.209
Austria, schilling	.0378	.0379
Bahamas, pound	2.756	2.76
Belgium, franc	.0197	.0198
Bermuda, pound	2.756	2.76
Brazil, cruzeiro	.0054	.0052
Chile, escudo	.932	.936
China, peoples dollar (yuan)	.3984	.3999
Colombia, peso	.1448	.1453
Costa Rica, colon	.1748	.1757
Cuba, peso	.9825	.9862
Czechoslovakia, crown (1)	.1360	.1367
" crown (2)	.0694	.0696
Denmark, krone	.1425	.1426
Dominican Republic, peso	.9837	.9874
Egypt, pound	2.826	2.837
Finland, markka	.0031	.0031
France, new franc	.2003	.2010
Germany (East)		
ost. deutschemark (1)	.442	.443
ost. deutschemark (2)	.2350	.2359
Germany (West)		
deutschemark	.2353	.2362
Greece, drachma (new)	.0328	.0328
Haiti, gourde	.196	.197
Hong Kong, dollar	.1726	.1728
Iceland, krona	.0258	.0259
India, rupee	.2070	.2074
Israel, pound	.5495	.5516
Italy, lira	.0016	.0016
Jamaica, pound	2.756	2.76
Japan, yen	.0028	.0028
Mexico, peso	.0785	.0788
Netherlands, guilder (florin)	.2602	.2612
Netherlands West Indies, guilder (florin)	.5220	.5240
New Zealand, pound	2.7475	2.753
Norway, krone	.1376	.1380
Pakistan, rupee	.2070	.2078
Panama, balboa	.9837	.9874
Peru, sol	.0353	.0355
Philippines, peso	.4906	.4925
Portugal, escudo	.0344	.0345
Puerto Rico, dollar	.9837	.9875
South Africa, pond	2.756	2.76
Spain, peseta (new rate)	.0164	.0164
Sweden, krona	.1902	.1909
Switzerland, franc	.2275	.2283
United Kingdom, pound	2.756	2.76
U.S.S.R., rouble (1)	.246	.246
" rouble (2)	.1021	.1024
Venezuela, bolivar	.2944	.2955
West Indies Federation (except Jamaica), dollar	.5745	.5757
Yugoslavia, dinar (1)	.0033	.0033
" dinar (2)	.0025	.0025

(1) Official or commercial rate.
(2) Non-commercial or tourist rate.
(Rates supplied by Royal Bank of Canada. For business or travel purposes, check your bank for latest rates.)

BERMUDA'S UNDERWATER sights are now as famous as its beaches. More and bigger glass-bottom boats are now in service to give tourists an excellent view of fascinating fish and plant life below the waves. One of the most luxurious boats is 37-ft. Sea Urchin equipped with comfortable canvas deck chairs, cabin with toilet facilities and canopy for protection from the sun. Boat makes two, 3 hr. trips per day. Cost: $4 per person.

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Coming Events

Events of interest to Canadian businessmen. FP suggests you clip this column for reference.

American Federation of Technical Engineers convention, Aug. 22-26, Royal York Hotel, Toronto.

Canadian Good Roads Association annual convention, Oct. 17-20, Royal York Hotel, Toronto.

Canadian Tourist Association annual convention, Oct. 31-Nov. 3, Royal York Hotel, Toronto.

Federation of Women Teachers' Associations of Ontario convention, Aug. 24-25, Royal York Hotel, Toronto.

Industrial Exhibition, July 24-30, Saskatoon.

International Conference on Low Temperature Physics & Chemistry, week of Aug. 28, University of Toronto, Toronto.

National Costumers Association of U. S. and Canada convention, Aug. 13-17, Lord Simcoe Hotel, Toronto.

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REACH YOUR BEST TRAVEL PROSPECTS WITH THE FINANCIAL POST

Among Post readers who take their vacations away from home*, nearly 65% stay over two weeks to more than a month:

Two weeks or less	35.8%
Over two weeks up to one month	49.8
Over one month	14.4

Many take more than one vacation — each at different seasons:

Spring	15.2%
Summer	60.8
Autumn	14.1
Winter	15.2

*73% of Post readers take their vacations away from home. National average: 39.8%.

Source: Gruneau Research.

The Financial Post
481 University Avenue, Toronto • 1242 Peel Street, Montreal 2

How Provinces Asked Ottawa For More Money

Ten provinces: 10 different suggestions as to how to get the taxpayers' money — via Ottawa. That was the essence of this week's Dominion - Provincial conference. Here are the details in the preliminary skirmishing for the battle which must be settled next winter if new agreements are to come into force in 1962:

OTTAWA (Staff) The federal government must reconcile 10 sets of widely conflicting provincial demands tossed on the bargaining table at this week's federal-provincial conference.

All 10 premiers had one thing in common: They wanted more federal money. Some pounded their desks as they asked for it.

No premier agreed completely with any other on how it should be extracted. Two, Leslie Frost of Ontario and Jean Lesage of Quebec, suggested completely new principles of tax-sharing.

All the others suggested modifications of present arrangements, or simply asked for more money.

One further premiers' conference in the fall is certain, two are likely. The federal government will lay its cards on the table, perhaps call the premiers back for a further round of bargaining before both sides agree.

The two sides must agree on new tax-sharing legislation effective March 31, 1962. This means it must be passed by the next session of Parliament, and this requires settlement sometime next winter.

If this week's conference is any guide, the barganing ahead will be hard, prolonged and noisy.

Because they expected widely different proposals from the provinces, federal officials didn't put forward detailed and specific ideas of their own. Instead, they listened to the gripes.

But few officials—or delegates outside of the provinces concerned—were prepared for the strong and diametrically opposed lines taken by the premiers of Ontario and Quebec.

One delegate had this impression:

"Quebec has decided, after generations, to re-enter Confederation.

"At this precise moment, Ontario wants to become autonomous. The two provinces have exchanged roles."

This was Premier Frost's approach:

The present tax-sharing agreements are based on 1942 arrangements which were forced on the provinces by the necessities of war, and "unjustly" continued thereafter.

Ontario wanted a "new look, a new approach, a new deal," i.e., 50% of personal income and corporation taxes.

Ontario's alternative, which could mean endless trouble for the federal government: it would ask for a BNA Act amendment which would enable her to impose an indirect provincial sales tax.

Frost's views were based on this bombshell interpretation of the BNA Act: Sections 91 and 92 entitle the provinces to share equally with the Dominion in personal income tax and corporation taxes.

Premier Lesage said this:

The federal government should give up most of its present responsibilities under cost-sharing programs and let the provinces assume them. They could be paid for by a 25% share of corporation and personal income taxes.

Lesage added:

"We have no intention of keeping ourselves in isolation, which would be unrealistic for a province and harmful to the country. (Provincial) sovereignty confined only to opposition cannot endure."

Here are summaries of the positions of the other provincial premiers:

- **Newfoundland:** The act of union under which the province entered Confederation entitled her to an $8-million federal payment in perpetuity.
- **Prince Edward Island:** Wanted a "larger share" of federal income and corporation taxes and succession duties, plus greater flexibility in cost-sharing programs.
- **Nova Scotia** wanted sufficient" federal money to permit it to discharge its constitutional responsibilities to its citizens.
- **New Brunswick** asked the Dominion for "increases" in tax rental payments in all three fields.

Premier Robichaud also wanted the Dominion to build the Chignecto Canal.

- **Manitoba** wanted greater flexibility in cost-sharing programs, plus a "positive national development policy", especially in land use.
- **Saskatchewan** wanted one third of tax revenues collected in all three taxation fields.
- **Alberta** suggested that provinces should share with the Dominion the responsibility for fixing levels of taxes which are to be split between the two.
- **British Columbia** called for an "adequate" tax sharing agreement, and for increased federal efforts to promote Canadian exports abroad.

How BNA Act Divides Power For Taxation

OTTAWA (Staff) — Here are the clauses of the British North America Act which Premieg Frost says entitle the provinces to split corporation and personal income taxes 50-50 with the federal government.

Section 91 gives Parliament all powers necessary for "the raising of money by any mode or system of taxation."

Section 92 gives provincial legislatures the exclusive power to pass laws for direct taxation within the province to provide for the raising of a revenue for provincial purposes.

Constitutional authorities have argued for decades about how these clauses split up taxing powers between the two levels of government.

KARL SCHENK and his pole-climbing shoes.

Walk-up-a-Pole Invention Boosting His TV Business

Special Correspondence

ORILLIA, Ont. — Television aerial rigger, Karl Schenk of Orillia has succeeded in producing something many of his colleagues dream about.

The 22-year-old Dutch-Canadian has devised a pair of auxiliary shoes that enable him to walk up a 1¼-in. television aerial to 60-ft. heights without a safety belt.

This invention speeds his aerial repair work by up to 75%.

Instead of having to dismantle a tall aerial to install a booster or to repair it, he just straps on the shoes and literally walks up the thin pole in minutes.

Schenk, owner of **Schenk Radio & Electric Centre,** Orillia, says business has already increased through the use of this new aid in his repairwork.

Two semi-circle hooks, each facing in an opposite direction and with 1½ in. between them, constructed on the inside of the all-steel shoes are the nucleus of this practical invention.

The hooks are horizontally constructed on the shoes, but clasp on the aerial in vertical position.

Then with a half turn of the foot the shoes are brought back in horizontal position and the climb begins.

The weight of the user rests on the heels, causing a slight slant, which enables the semicircle hooks to get a solid grip on the pole.

Safety belts are not required, but are recommended as a matter of prudence.

Born in the Netherlands, Schenk came here three years ago and started with an Orillia firm, **Ritchie & Mould Appliances,** as an aerial rigger.

He just recently started out on his own.

Issue Second Injunction In Securities Act Case

A second injunction restraining the Saskatchewan Securities Commission from interfering with the business of Alfred A. Duplain and his firm Western Diversified Mortgage Co. has been issued by Queen's Bench Court, Regina.

This order replaces an earlier restraint which was quashed by the Saskatchewan Appeal Court.

The Commission earlier cancelled Duplain's registration as a salesman and refused to register his company under the provincial Securities Act (**FP**, June 4).

The Appeal Court granted an interim injunction (**FP**, June 11) to Duplain who sought to nullify a ruling by W. W. Cameron, chairman of the Securities Commission, that Duplain had been guilty of improper acts.

It was stated that the securities Duplain was selling were promissory notes, proceeds of which he used to buy second mortgages.

The case has made legal history in Regina.

- **It's the first time** the Securities Act has been challenged in the Appeal Court.
- **At the Appeal Court** (highest in the province) hearing, all five judges issued separate judgments.

The majority of judges, however, upheld the chairman's action.

Duplain sought a writ of certiori to quash the order.

Certiori proceedings are effective as a remedy where a lower tribunal is held to have acted irregularly, but such acts must be judicial proceedings and not administrative ones.

This fine point dominated the dispute.

The five judges agreed, however, that the order involving Duplain was an administrative one by Walter Cameron, acting as chairman of the securities commission.

Two judges noted the confusing effect of Cameron's habit of referring to himself in the third person as "the commission," and pointed out that it was the chairman himself and not the full commission which was meant.

One judge gave the legal opinion that if an act of the full commission were complained of, it might be construed as judicial and be open to review by certiori proceedings.

The five judgments divided three to two in Cameron's favor and in levying costs against the applicant.

<Also, an interim injunction was dissolved restraining the commission from interference with Duplain.

Later, in the Queen's Bench court application for a new injunction, counsel for Duplain argued that promissory notes come under federal jurisdiction exclusively.

Mr. Justice R. L. Brownridge granted the injunction.

The Queen's Bench Court will be asked later to outlaw those sections of the Saskatchewan Securities Act that deal with promissory notes on the basis that they are ultra vires the Saskatchewan government.

Cement Firm Cuts Loss

Net loss of **Lake Ontario Portland Cement Co.** for six months ended May 31 was $596,375, down 10.9% from $669,281 in the corresponding 1958-59 period.

Sales rose by 35.7% to $1,598,686 from $1,177,863. Volume of sales reached a new monthly peak in June, President George H. Elliott said, and was "substantially" above designed monthly capacity.

Clinker stockpile at May 31, 1960, was 475,000 bbl., up from 140,000 bbl. a year earlier.

This, the president said, "will enable us to take care of the substantial increase in cement sales which we anticipate for the second half of our fiscal year, and which we expect will represent approximately 65% of our anticipated annual cement sales."

He added that profits should reflect "this favorable situation," and that first six months of company's fiscal year are the lowest construction months.

"We expect that the operations for the second six months of this fiscal year will wipe out the deficit accumulated during the first six months," he said.

Capital expenditures were $23,891 during the six months, compared with $171,792 a year earlier.

Here is a comparative summary of results:

Six mos. ended May 31:	1960	1959
	$	$
Net sales	1,598,686	1,177,863
Less cost of goods sold	1,568,508	1,245,687
Selling, gen. & adm. exp.	235,234	214,512
Int. on funded debt	371,178	366,804
Amort. of debent. exp. & disc.	20,141	20,141
Net loss	596,375	669,281

Teamsters Haven't Grown Since Bounced from CLC

MONTREAL (Staff) — The outcast Teamsters Union has had its troubles since it was thrown out of Canadian Labor Congress.

So much so, in fact, that the muscular Canadian legions of Teamster President Jimmy Hoffa have yet to make any serious expansion moves. Remember that CLC members had been reluctant to expel the Teamsters because they feared it would provoke an inter-union free-for-all.

Last week the Canada Labor Relations Board turned down the Teamster application to sign up employees of **Canadian Pacific Railway's** Merchandising Service in British Columbia. This is a combined trucking and rail operation. The Teamster bid to move into what CLC considers rail union territory was the issue that led to the union's expulsion on a raiding charge.

The labor relations board backed up the CLC view that this was not a field open to the Teamsters.

The decision is a serious blow to Teamster plans to add members. As part of the much-discussed Hoffa plan to "control everything that moves in North America", it was considered vital to move in on the railways — and a combined trucking-rail service seemed the ideal place to start.

Now, labor observers feel, the Teamsters will have to draw up a new plan.

Best bet is the formation of a new "junior congress", with another CLC outcast the Seafarers International Union.

The aim: To integrate union control of road and sea transport particularly along the Seaway. This seems both logical and potentially profitable for Teamster forces.

However there are distinct signs that rank-and-file Teamsters are not entirely satisfied with the way things have been going.

An indication was the unex-[illegible] that saw Casey Dodds, No. 1 Hoffa representative in Canada, defeated as head of the big Windsor-based local of the union. The election had been called by the U.S. court-appointed monitors.

It isn't clear what has happened since the election and what position Dodds now holds.

But there have been unconfirmed rumors that large sections of the Teamster membership in Eastern and Central Canada might try to break away and link up with other Canadian unions or even form their own.

Only the West Coast Teamsters seem untroubled and fiercely loyal to Hoffa's Washington control.

Few labor observers really expect Teamster power in Canada to fade quietly away.

They point out that CLC made great efforts to find a way to avoid ousting the Teamsters — and yet the Teamsters went steadily on, provoking trouble. Because of that, it is argued, the union's executive must have had some plan that accepted the chances of expulsion, or even depended on it.

If the Teamsters haven't got something dramatic in store for Canada, it's would seem a lot of people in the palatial Washington headquarters goofed in antagonizing the CLC.

West Coast Oil Markets Still Cloudy

From Our Own Correspondent

VANCOUVER — The West Coast is making a stern reappraisal of the oil export outlook, even as Ottawa once again steps into the picture.

While the federal government has ordered a rush study of the over-all oil marketing situation (**FP**, July 23), estimates of exports of Canadian oil to the U.S. West Coast are being lowered.

Standard of California recently predicted that by 1965 about 600,000 bbl. per day of U.S. West Coast crude supplies would be brought in, either as imports or from other parts of the U.S.

There is no breakdown of the figures.

But if supplies from other parts of the U.S. were the same in 1965 as last year — 235,000 bbl. a day — the indicated volume of imports from Canada and elsewhere would be no more than some 370,000 bbl. per day.

This compares with last year's figure of 255,000 bbl. a day.

This is a far cry from the prediction a few years ago by **Chase Manhattan Bank** — taken as authoritative in most petroleum circles — that U.S. West Coast imports might reach as much as 660,000 bbl. per day by 1966.

ANNOUNCING

Important appointments in Canadian Industry, Finance, Business and Government

Amalgamated Electric Corp. (Toronto) — D. C. Pace, treasurer.

Bank of Nova Scotia (Halifax, N.S.) —Harry Randall, assistant general manager; Charles W. Jameson, assistant to president; Cedric E. Ritchie, chief accountant; E. Grant Taylor, supervisor in charge of Western Credits at general office in Toronto.

BP Canada Ltd. (Toronto) — E. J. Fitzpatrick, manager of employee relations department.

Belwood Appliance Co. (Fergus, Ont.) — Harry R. Phillips, general manager; A. James Kendrick, sales manager.

Burroughs Adding Machine of Canada Ltd. (Toronto) — William M. McCormack, public relations manager.

Canada Packers Ltd. (Toronto) — W. W. Lasby, director, appointed assistant general manager; John R. Wright, plant manager.

Canadian Aero Service Ltd. (Ottawa) — Thomas M. O'Malley, chairman; Robert M. Reckeweg, president and director; Grant F. Ray, secretary-treasurer; Thomas E. Rowlands, John W. Strath, John Cross, Hal Lea, George Strawbridge, Burtram McClain, all appointed directors.

Central Mortgage & Housing Corp. (Ottawa) — Armand Georges Boisclair, director.

Collins Radio Co. of Canada Ltd. (Toronto) — John L. Plant, vice-president and general manager.

Dare Foods Ltd. (Kitchener, Ont.) —J. M. Langley, advertising and sales promotion manager.

Walter Dickinson & Co. (Don Mills, Ont.) — Robert Hollingum, sales representative for Maritimes.

Dow Chemical of Canada, Ltd. (Sarnia, Ont.) — Paul D. Scott, vice-president; John L. Smart, vice-president.

Eastern Trust Co. (Halifax, N.S.) — Charles N. Wilson, director.

Excelsior Life Insurance Co. (Toronto) — Henry S. Beers, chairman of board; John A. Hill, director; Crampton Trainer, director.

Ex-Cell-O Corp. of Canada Ltd. (London, Ont.) — Richard E. Krengel, vice-president and director.

Ford Motor Co. of Canada (Toronto) —Gordon H. Lowe, director, dealer development office.

Fraser Cos. (Edmundston, N.B.) — A. T. Easley, manager, marketing of company and subsidiary, Fraser Paper Ltd.

General Bakeries Ltd. (Toronto) — Merritt L. Harding, secretary-treasurer and controller.

General Mills Cereals Ltd. (Minneapolis, Minn.) — A. M. Aymong, advertising manager of Canadian operation.

Harrisons & Crosfield (Canada) Ltd. (Montreal) — J. E. Van Buskirk, president; S. Brooks, vice-president, administration; W. R. S. Fraser, vice-president, western branches; A. P. LeRiche, secretary-treasurer.

Huron & Erie Mortgage Corp. and Canada Trust Co. (London, Ont.) —Ronald K. Banister, appointed to Edmonton advisory board.

Lakeland Natural Gas Ltd. (Kingston, Ont.) — George A. Simmonds, eastern division manager.

Marshall Wells of Canada Ltd. (Winnipeg) — R. A. Hobday, chairman; P. C. Fikkan, president.

Meat Packers Council of Canada (Toronto) — H. Keith Leckie, appointed managing director.

National Steel Car Corp. (Hamilton, Ont.) — A. P. Shearwood, chairman and president; J. Pearson, vice-president and general manager; J. Plumpton, vice-president, finance and assistant to president.

Paul, Phelan and Perry Ltd. (Montreal) — Paul Fiala, art director.

Pennsalt Chemicals of Canada Ltd. (Oakville, Ont.) — George R. Lawson, vice-president, general manager and director.

Pepsi-Cola Co. of Canada Ltd. (Montreal) — William E. Emerson, vice-president, marketing.

Pigott Construction Co. (Hamilton, Ont.) — Thomas Gray, secretary-treasurer; T. L. Lech, comptroller.

Sogemines Ltd. (Montreal) — M. M. Walter, director.

Spaulding Fibre of Canada Ltd. (Toronto) — Charles A. Dykeman, general manager; Bill Christensen, sales manager; B. G. Orth, assistant general manager; J. Frey, assistant plant manager; Thomas C. Drees, vice-president, appointed administrative assistant to president of American company.

Sterling Trusts Corp. (Toronto) — S. Bruce Adams, director.

Storrar Dunbrik Ltd. (Weston, Ont.) —John Harding, manager of special projects division.

Toronto General Trusts Corp. (Toronto) — George E. Edworthy, appointed to Calgary advisory board.

Victor Adding Machine Co. (Canada) Ltd. (Galt, Ont.) — John Hards, account executive, Vancouver branch.

Vulcan Containers Ltd. (Rexdale, Ont.) — Duane S. Wright, vice-president, manufacturing.

Wolf Electric Tools Ltd. (Toronto) —T. Swan, factory representative in British Columbia.

Mexican Deal To Compete With Our Gas?

From Our Own Correspondent

WASHINGTON—A big business squeeze play seems to be taking shape that could take away from Canada's natural gas industry the millions of potential customers in southern California and other parts of the U. S. southwest.

A preliminary deal has been signed between **Tennessee Gas Transmission Co.** and **Petroleos Mexicanos (Pemex)** for a pipeline running through Mexico from the Mexican-Texas border to the Mexican-California border.

It would be a $160 million project carrying both U. S. and Mexican gas.

No Canadian gas has been specifically planned as yet for this southwestern part of the U. S., but the industry has had its eyes on the vast potential market for years.

A plan is now before the FPC for Canadian gas to be piped into northern California.

In addition, an FPC presiding examiner recently has approved a new pipeline project which would make it physically possible for the Canadian gas to move into southern California.

This is a scheme sponsored by **El Paso Natural Gas Co.** and **Colorado Interstate Gas Co.** The companies are planning to build a pipeline from Rock Springs, Wyoming to the California-Nevada border to carry 470 million cu. ft. of natural gas per day.

An FPC release on the examiner's approval of this project said: ". . . it constitutes for the southern California companies new and growing sources of favorably priced gas in the mid-continent and Rocky Mountain regions and also represents the first step by these companies toward acquiring direct access to Canadian gas sources."

This, however, would likely be in direct competition with the Tennessee-Pemex pipeline project.

The price to the consumer of this Mexican-U.S. gas might well be considerably under the price of Canadian gas because the project itself would be much less expensive due to lower costs for labor, materials and right of way.

Hostess Buys Acadia Foods

Hostess Food Products Ltd., a **General Foods Ltd.** subsidiary, has acquired the assets of **Acadia Foods Ltd.,** New Minas, N.S.

Acadia is a leading producer of potato chips in the Atlantic provinces. Its product, marketed under the brand name of Scotties, is made at a plant opened in 1959.

Company's U.S. parent, **General Foods Corp.,** reports that its total capital outlays for the fiscal year which began April 1 will be $40-$45 million, compared with $35 million in the previous fiscal year.

First-quarter earnings were $1.31 a share, up 11c a share from April-June, 1959, and the highest first quarter earnings on record.

Shareholders approved a two-for-one split of common stock.

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Startle Voters, Pick a Leader CCF's Next Moves

With the farmer-labor marriage now almost certain, Canada's socialists seem to be moving farther to the left.

OTTAWA (Staff) — Don't take too seriously those who say the central purpose of the CCF national convention Aug. 9-10-11 in Regina is to decide whether to jump in with the Canadian Labor Congress in a new political party.

There now is little doubt this is already in the bag.

What doubts remained were removed last week when the Saskatchewan CCF party convention voted almost unanimously in favor of the move.

If any opposition to a tie-up with organized labor were to arise, wouldn't it have come from the most predominantly farmer section of the party?

The real purpose of the Regina convention, therefore, is to search for new—and perhaps startling—ways of attracting voters.

And to come up with solid new policies that can be built into whatever the new party turns out to be—probably at a joint CCF-CLC meeting next summer in Ottawa.

Another important issue the CCF must try to settle is: Who will be their leader, succeeding the retiring M. J. Coldwell?

Best bet at the moment: Hazen Argue, leader of the eight-member CCF group in the Commons and the only opposition member on the Prairies. (All the rest are Conservatives.)

What main policies are likely to be advocated at the convention?

One thing is sure—they will be as far to the left as seems practicable. "Radicalism" will be the avowed theme.

The leaders are determined to produce a party further to the left than the Liberals—without going right out of the picture.

When all the ifs ahead have been surmounted, the new party will probably follow basically familiar lines of socialism, with at least one exception.

The emphasis may be shifted from a policy of nationalizing industry to one of creating publicly owned competitors.

In farm equipment, for example, a new-party government headed by Prime Minister Hazen Argue might very well establish its own distribution agency to compete with private agencies in an attempt to bring down prices.

If this didn't work, the government might seek Parliament's permission to buy some existing farm equipment factory and turn out its own product.

This approach follows suggestions Argue made earlier this year to bring down drug prices.

He believes the suggestion that the government going into competition with private interests in the drug industry would ensure what he refers to as "real" competition.

Incidentally, look for whoop-la on the U. S. political convention style when the socialists get around to the leadership question.

At this writing, Argue is the only one to have publicly announced his candidacy.

He might run into opposition from party influences like National Chairman David Lewis of Toronto and Stanley Knowles, former MP and a vice-president of both the CLC and the national CCF party.

These are the two most widely credited with persuading Coldwell to stay on as national leader at the last convention, two years ago in Montreal.

Chances are they might try the same strategy again—hoping thus to keep the way to leadership of the new party a year hence as clear as possible.

They Tenderize 'Beef on Hoof'

No more tough steaks? Never?

Swift Canadian Co., Toronto, says a revolutionary new beef processing method tenderizes all the meat in the animal.

The implications to the housewife include:

- **Cheaper cuts** — round steak, blade steak, stewing beef—will be as tender as the more expensive cuts are now.
- **Cooking may be simpler and faster.**

Meats previously cooked by moist heat will be tender if cooked by dry heat, the meat-packing firm says.

For instance, round steak, usually made into Swiss steak, could be pan fried or broiled. A blade steak or pot roast, usually braised or pot roasted, could be pan fried or broiled.

Stew beef could be cooked as kabobs.

The "more desirable" cuts will be even more tender, Swift Canadian says.

The tenderizing process, developed by **Swift & Co.,** Chicago, utilizes an enzyme called "Papain" derived from the Papaya tree.

Under the supervision of a veterinarian, a minute quantity of enzyme is injected into cattle shortly before slaughter. The blood circulates the enzyme throughout the meat.

On cooking, the enzyme goes to work to tenderize the meat.

This tenderized meat will be test marketed in the Toronto area early in August.

It will later be introduced elsewhere in Canada.

A Swift Canadian official said he didn't expect the tenderized meat to be more expensive than ordinary meat.

In the U. S. where it has been test marketed, retailers have not found it necessary to raise the price despite a 2c lb. processing charge, he said.

This is because the tenderized meat can be delivered immediately after cooling to the stores.

Since aging is not necessary, there is no loss in weight from drying out, no discolored meat to throw away. Money is not tied up in large coolers and supplies of meat.

The enzymes are being prepared in Swift's Chicago laboratory.

Swift says:

Chief advantage of the process is that the tenderizing enzyme is spread throughout the meat and little is required.

Enzymes applied to the surface of meat do not penetrate throughout and may leave a pulpiness on the surface, the company says.

Insurance Buyers Elect A. A. Sharp

MONTREAL (Staff) — A. A. Sharp of **Distillers Corp-Seagrams Ltd.** has been elected president of the Montreal Insurance Buyers Association, a chapter of the American Society of Insurance Management.

SHARP

The society recently created a new region to include the Montreal and Toronto chapters and Sharp was appointed regional vice-president of the parent body.

Other officers of the Montreal group: C. W. Perry, **Canadian Marconi Co.,** vice-president; G. Buchanan, **Shawinigan Water & Power Co.,** secretary - treasurer. Committee chairmen: G. A. Willis, **Foundation Co. of Canada;** L. Moore, **Imperial Tobacco Co.;** and J. K. Reid, **Molson's Brewery Ltd.**

Short Position Rises on TSE

Short position on the Toronto Stock Exchange rose to 1,284,920 shares of 190 issues on July 15, compared with 1,179,520 shares of 196 issues on June 30.

Among the changes were:

Stock	Shares	Stock	Shares
Alta Dist	+1,000	Murray M	—15,000
Aluminium	—2,281	N Hosco	+10,500
Brazilian	+800	N Mylam	+124,900
Cdn Brew	+400	Ponder	—25,100
Can-Erin	+12,800	Provo	+5,800
C Marbenr	+18,500	SKD	—500
Dom Stores	—500	Satellite	+34,500
Kilembe C wts	—8,300	Sunburst	+5,500
Latin Am	—60,000	Thom Lund	—4,700

Here are the short positions in detail:

Stock	Shares	Stock	Shares
Abitibi	500	Hudson Bay	150
Advocate	500	Hoyle	100
Acme Gas	500	Imp Oil	1,050
Alta Dist	2,000	Ind Accept	525
Algoma Stl	1,385	Inglis	176
Aluminium	2,044	Inl Gas wts	200
Argus	75	Int Nickel	860
Arcadia	10,000	Interprov PL	350
Atlas Stl	150	Invest Synd	100
Aumaque	500	Do A	250
Atl Copper	400	Irish Copper	8,000
Bank Mtl	200	Iron Bay	10,000
Bankeno	500	Iso	3,000
Barnat	500	Jack Waite	1,000
Bowater	120	Jacobus	17,000
Bralorne	100	Jockey Club	150
Brazilian	1,100	Jupiter	9,400
Bidcop	9,000	Kerr-Addison	300
B A Oil	750	Kilembe	5,800
B C Elec 4%	34	Do C wts	44,400
Do 4½%	25	Labrador	350
Do 5½%	185	LaFarge A	165
B C Forest	1,300	Lamaque	300
Brown Co	400	Latin Americ	69,500
Bowater 5% pr	100	Loblaw A wts	100
Brunswick	700	Lorado	14,500
Britalta	2,000	Madsen	400
Buffalo Ank	1,200	Maritimes	1,000
Build Prod	25	Martin McN	10,500
Camp Chib	5,350	Massey-Ferg	300
Cal & Ed	100	Merrill Isl	500
Can & Dom Sug	200	Moore Corp	275
Can Cement	775	Murray Mng	38,900
Can Iron Fdry	200	New Dicksn	2,100
Can S Pete	5,500	N Hosco	18,500
Can Tung	200	N Myla'que	225,200
Cdn Brew	525	Noranda	800
Cdn B Al wts	400	Normetal	700
Cdn Chemical	1,000	N C Oil wts	880
Cdn Chieftn	1,600	N Coldstream	14,100
Cdn Cel $1.75	55	North Rankin	5,500
Cdn Collieries	1,300	Northspan wts	1,000
Cdn Dyno	3,000	Opemiska	600
Cdn Ex Gas	6,400	Orchan	140,300
Cdn Husky w	720	Pac Pete wts	100
Cdn Malartic	3,000	Patino wts	4,700
Cdn Petrofina	500	Page-Hersey	100
Can-Erin	194,400	Peerless	1,500
Cent Del Rio	1,500	Peruvian	1,000
Cdn High Crest	100	Petrol	700
Chesterville	1,500	Place Oil	500
Chimo	2,000	Ponder	39,000
Chromium	1,200	Portage Isl	500
Cochenour	2,400	Prairie Oil	100
Cockshutt	700	Pres Elec	2,000
Coniaurum	500	Provo	18,500
Con Dragon	3,500	Que N Gas	1,000
Con Halliwell	5,000	Radiore	1,500
C Marcus	500	Rayrock	1,500
C Marbenor	19,500	Realm	1,000
C Smelters	100	Rexspar	1,000
C Mosher	11,200	Salada	700
C Mogul	200	St Maurice	100
Crush Int	100	San Antonio	5,800
Consumers' Gas	346	Sherritt	6,200
Copper Rand	2,800	Siscoe	500
Craigmont	750	Silverw'd A	100
Creative Tele	6,500	Simpsons	425
Deer Horn	1,000	SKD Mfg	4,800
Denison	1,300	Satellite	34,500
Dom Bridge	100	Stand Wire	100
Dom Fdries	400	Steel of Can	370
Dom Stores	325	Steep Rock	2,000
Donalda	2,000	Steinberg A	450
Dynamic	14,500	Submarine	1,000
E Malartic	3,000	Sunburst	10,500
Elder	15,100	Temagami	36,100
Falconbridge	75	Thomp Lund	8,000
Fargo	100	Tidal	500
Fatima	20,500	Tombill	500
Famous Play	600	Trad Fin A	175
Frobisher	1,000	Tr Can PL	3,000
Geco	1,200	Tr Mtn PL	250
Gen Dynamics	2,750	Un Asbestos	13,850
Giant Yk	800	Ventures	2,400
Granduc	1,600	ViolaMac	2,500
G L Paper	25	Webb & Knapp	500
Gtr Wpg G vt	300	Wespac	2,000
Do 58 wts	60	West C Oil	2,000
Gunnar	1,000	Weston A	100
Do wts	13,360	Do B	50
Hollinger	700	Willroy	8,400
Horne & Pit P	210	Do wts	2,000
Home Oil A	1,100	Yale	1,500
Howey	500	Young, H G	4,000

Lindsay Adds 2,150 Acres, Doubles Size

Annexation of 2,150 acres of land to the city of Lindsay, Ont., early in 1961 has now been approved by the provincial government.

M. DeGroat, town councilor and chairman of the industrial committee, told **FP** the city plans to call in a consultant to help in planning and zoning the area which is larger than the present entire Lindsay area of around 1,650 acres.

Mr. DeGroat is an executive of the **Visking Division, Union Carbide,** the city's largest industry.

One section, 100 acres, will be used for industrial land. This area now borders an existing industrial section of around 60 acres.

The existing industrial land is serviced and has been selling at around $1,200-$1,500 an acre. The proposed industrial section will sell at comparable prices.

Schultz Die Casting formerly of Wallaceburg, Ont., has already occupied about eight acres and employs about 200 people. Another 10-acre site is under option by an unnamed firm.

According to DeGroat, there are now about 17 manufacturing firms in Lindsay. Some of the major ones: **Dominion Brakeshoe, Varcum Chemical Corp. (Canada), Canada Crayon, Lindsay Antenna & Specialty Products Ltd., Canadian Arsenals Ltd.,** plus some textile firms.

The provincial government owns about 100 acres of the annexed land on which are located some government buildings. Others are planned.

Plans are also being drawn up for four housing subdivisions in the area.

TAXES AT THE PAS

From Our Own Correspondent

WINNIPEG—Tax rates in The Pas, Man., will be a record 100 mills this year, a 20-mill boost over 1959. Estimated expenditures for the current year are an all-time high of $439,000, an increase of $75,000 over last year. Schools will require 41.8% of the 100-mill levy.

Be Cautious on Congo, Canadian Investors Say

By HENK HOPPENER

Canadian investment circles were prepared this week to "handle with care" any overtures made to them in connection with possible investments in the new republic of Congo.

Their cautious comment was given following reports that Congolese Prime Minister Patrice Lumumba was coming to Canada to look for financial and technical assistance, and that a development agreement had been signed between Lumumba and J. Edgar Detwiler of New York.

(At midweek, the Congolese finance minister, Nkayi, said the agreement was not valid because the cabinet had not been consulted).

The Canadian caution stemmed from these factors:

- **The problems of the young republic,** where U.N. forces are trying to restore order;
- **The fact that resource-rich Katanga province,** led by Moise Tshombe, has withdrawn from the republic.
- The circumstances of Detwiler's agreement.

Detwiler is a minority shareholder of **Congo International Management Corp.** (Cimco) of New York, incorporated six weeks ago. Cimco claims to have access to funds in Canada, U.S., Japan and European countries.

Cimco denies reports resulting from Detwiler's statements to the effect that the company will "resort to public financing in Canada and the U.S. in the very near future."

But Detwiler will, in his own words, "approach his Canadian associates in the next few days."

J. H. Crang & Co., Toronto investment brokers who have dealt with Detwiler in the past, told **FP** that they have no knowledge of any such move as far as they might be concerned.

Cimco has no comment, except that it is giving careful consideration to the possibilities Detwiler's contract seems to offer, **FP** understands.

In his own right, Detwiler has in recent years come up with a number of big projects. One of them, an iron ore development in Sweden, promoted in the U.S., the U.K., and to a minor extent, also in Canada, is currently under way.

Others, including development of the Inga power project in the Bas-Congo, north of Leopoldville, died a sudden death. At least one faded into oblivion. This was Detwiler's plan to build giant trans-Atlantic liners to carry 10,000 "social tourists" for as little as $100 return fare.

A Rotterdam shipyard is still waiting for the "final okay, a mere formality, mind you," Detwiler promised in March 1958.

The same Detwiler is believed to have been the father of a short-lived $28 million plan for a "town planner's paradise" in Edmonton in 1950.

Whatever Lumumba, his aides, or Detwiler may tell Canadians, it should be kept in mind that none of them have the power or the authority to speak for anything but their own interests which are limited by extremely nebulous circumstances, and related to Congo resources which they do not and cannot control for the time being.

It's a Sad, Unhappy Summer For the Executives at QNG

MONTREAL (Staff) — All things considered, this isn't a happy summer for hard-pressed **Quebec Natural Gas Corp.**

Following the estimate of a $5 million loss for the year ended June 30, and the resignation of Chief Executive Officer Leonard Milano, has come news of:

- **A forgery conspiracy** that reportedly led to the cashing of between $500,000 and $700,000 worth of phony company cheques obtained through complicity of a QNG office employee.
- **An $86,447 law suit** for wrongful dismissal and assault brought against the company by a $20,000-a-year technical consultant.

Company officials told **FP** neither of these two most recent headaches would cut substantially into company's finances.

"The banks are responsible for cashing forged cheques," one senior executive told **FP**.

"In the case of the suit brought by the technical consultant, a year has gone by since the alleged assault which makes it a 'prescribed' case. That means it cannot be brought before the courts.

"As for the wrongful dismissal we are confident our case is a strong one."

Plaintiff is Bernard T. Franck of Milwaukee who claims punches administered by Arnold M. Schultz, then sales manager, caused a blood clot on his brain which required an operation.

The action demands $20,614 damages from the corporation as the employer of Schultz and $65,833 for alleged breach of contract.

Following some vigorous housecleaning, the company's view of the future is optimistic. It reports that "there is every reason to hope we will be in the black by the end of this fiscal year".

But the trouble clouds still hang heavily on the summer horizon. Oil dealers in the province have waged an active, and so far more than slightly successful, campaign against natural gas.

Most firms have reduced prices for home heating.

And there are repeated reports in Quebec business and political circles that the new Liberal government plans a thorough investigation into the company's purchase of Quebec-Hydro's gas distribution system.

Right now the summer sun doesn't seem to be shining anywhere near Quebec Natural's Montreal headquarters.

Short Position Rises at Mtl.

MONTREAL (Staff) — Short position on the Montreal Stock Exchange at July 15, 1960, was 10,649 shares in 24 issues, up 4,784 shares and four issues from the position at June 30.

Among the significant changes were:

Algoma	+1,030	Cockshutt	—300
Aluminium	—100	Dom Fdries	+1,000
Brazil	+200	Imp Tobacco	+100
B C Forest	+1,000	Int Nickel	—100
Brown	+200	Int Pipe	+1,085
Cdn Hydrocar	—200	Que Nat Gas	+642

Short position on the Canadian Stock Exchange at July 15, 1960 was 18,429 shares in 17 issues, up 3,279 shares and one issue from the position as at June 30.

Among the significant changes were:

Algom	—100	N Myla'que	+2,000
Cdn Collieries	—50	Orchan	—300
Atlas T'film	+1,000	Que Cobalt	+200
Cdn Int I Tr	+215	St Law RM	—200
Cassiar	+100	Vanguard	+2,000
Cent Del Rio	—100		

Here is the actual short position on the Montreal Stock Exchange as at July 15.

Issue	Shares	Issue	Shares
Abitibi	250	Dom Fdries	1,000
Algoma	1,180	Fraser	200
Aluminium	575	Hudson Bay	150
Atlas	100	Imp Oil	100
Bathurst B	205	Imp Tobacco	100
Brazil	200	Int Nickel	490
B C Forest	1,000	Inter Pipe	1,085
Brown	300	Massey	100
Can Cement	1,000	Molson B	187
Can Iron	700	Que Nat Gas	1,202
Cdn Br Alum	200	Std Str Steel	100
Cdn Hydrocarb	100	Steel Co	125

Here is the actual short position on the Canadian Stock Exchange as at July 15.

Issue	Shares	Issue	Shares
Atlas Telefilm	2,000	N Myla'que	2,000
Calg & Ed	100	Opemiska C	500
Cdn Collieries	100	Orchan	5,500
Cdn Ind Gas	100	Que Cobalt	1,800
Cdn Int Inv Tr	300	St Law RM	1,500
Cassiar	600	Traders Fin A	100
Cent Del Rio	400	Vanguard	2,000
Moore	214	Waterman	1,000

Tobacco Crop Outlook Good

Despite a recent hailstorm that affected a limited area of southwestern Ontario's rich tobacco country, 1960 crop prospects look excellent.

With over 115,000 acres planted this year and good growing conditions to date, estimates are for a record 180-million-lb. tobacco crop this year.

That would top the previous 1958 record of 172 million lb.

Growers are anticipating good prices again this year and a sell-out crop.

The mid-July hailstorm was estimated to have affected some 300 tobacco farms. That's less than 7% of the total.

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U.K. Stock Market Steady Despite Wall St. Decline

Special Correspondence

LONDON, Eng. — Industrial equities continue to hold up well in face of international tensions and credit controls in the U.K. The bond market has stayed quiet, with little change in prices.

The Financial Times index of 30 leading stocks hardened from 312.7 to 315.5. At this level the average dividend yield is 4.36%, and the earnings yield 8.90%. War Loan 3½%, at 60⅛, returns 5.8%.

Mines continue uncertain and oils turned dull on a renewed decline on Wall Street.

An encouraging pointer has been the firmness of the pound in the foreign exchange market, the spot rate on New York touching $2.81 for the first time since April.

Seasonal influences become adverse about this time, but, according to The Economist, chances of a quiet summer for sterling now appear "pretty good."

Here are Canadian prices of some typical U. K. issues:

(Supplied by Wisener, Mackellar & Co., Toronto)

	Recent Bid $	Recent Ask $	July 18 Bid $
Industrials			
Bowater Paper	7¾	8¼	7½
Courtaulds	9½	10¼	9¼
Daily Mirror "A"	1⅜	1⅞	1½
Hawker Siddeley	3¾	4¼	3⅞
Hudson Bay Stores	22¼	22¾	22½
Imperial Chemical	8.75	9	8.70
Motors			
British Motor Corp.	2⅛	2⅝	2
Ford Motor	13⅜	13¾	13⅜
Jaguar	8⅜	8¾	8⅝
Oils			
British Petroleum	6½	7	6½
Shell Trans. & Trading	17⅝	18	18
Royal Dutch	32¼	33	33¾
Steels			
Colville	10⅝	11⅜	10⅝
Dorman Long	5⅞	6⅜	5⅝
Steel Co. of Wales	5⅞	6⅜	5⅞
Stewarts & Lloyds	6⅜	7	6
John Summers	9⅝	10⅛	9¼
United Steel	10¾	11½	10½
South African			
Free State Geduld	15½	16½	15¾
Blyvoors	3¼	3¾	3⅜
President Brand	7⅝	8¼	7⅞
Gov't Bonds	—$ per £100—		
Convers. 5/71	246	250	245
Transport 3/78/88	160	166	162
Victory 4/76	250	255	251
War 3½ Perpetual	160	166	161

Shawinigan Net Up 13.6%

MONTREAL (Staff) — Consolidated net profit of **Shawinigan Water & Power Co.** for six months ended June 30 was $7,159,131, or 80c a common share, up 13.6% over $6,300,152 (70c) a year ago.

Included in the consolidation are earnings of **St. Maurice Power Corp.** and **Southern Canada Power Co.**

Revenue from sales of electricity increased 7.9% from $37,594,003 to $40,577,850. Total operating revenues amounted to $41,186,634.

Operating expenses were 8.6% higher at $31,809,145, due mainly to more power purchases, an increase of $293,450 in depreciation write-off and an increase of $672,406 in taxes.

Operating income at $9,377,489 was 5.2% higher than in the first half of 1959. Non-operating income, mainly dividends from subsidiary and other companies, was $941,310 compared with $819,672 a year ago.

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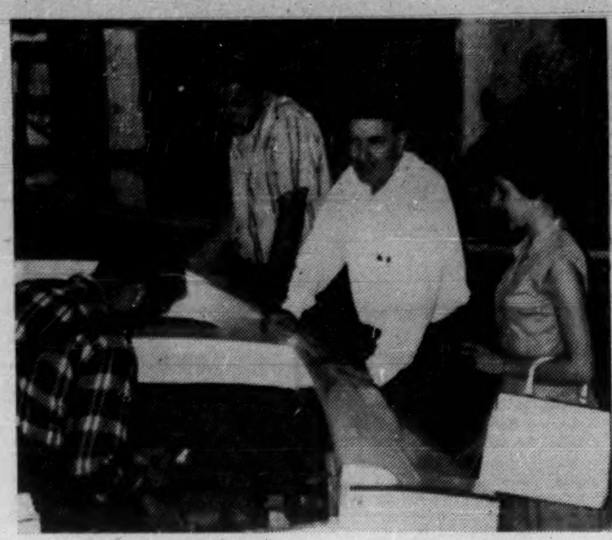

PAUL CADORETTE (white shirt) inspects his plant.

Plastics Boost Boat Business

Paul Cadorette switched from wood to plastic, turns out boats in one-fifth the time . . .

By C. M. SEIFERT

GRAND'MERE, Que. — Paul Cadorette's career as a boatbuilder has spanned the era of wooden hulls into the age of plastics.

He once made tugs for the Argentine navy. Today, **Cadorette Canoes** at Grand'Mere in Quebec's St. Maurice Valley, is turning out lightweight, low-cost fibreglass canoes, outboards, catamarans and a 16 ft. sailing dinghy.

Cadorette has to struggle to meet demand even with today's current production of 27 canoes a week.

Three other manufacturers have since entered the plastic small craft field in Quebec, but demand keeps climbing.

The seven Cadorette canoe models, retailing from $135 to $260, are marketed throughout North America.

Since 1958 the firm has been producing molded plastic outboards for Canadian retailers.

This year the company added a catamaran and 16-ft. sailing dinghy to round out its line.

He estimates about a quarter of his total production is required to meet Royal Canadian Navy's yearly requirements for 14-ft. plastic sailing dinghies and 27-ft. whalers.

"In fibreglass construction, molds are your working tools," Cadorette says, explaining how it was possible to start operations on a shoestring in Gran-'Mere in 1955.

While material costs are 40% higher, a plastic canoe is off the line in 10 hr. A conventional canoe took 50 hr. labor.

A boat builder since 1932, Cadorette says wood was never like this.

"The factory was small," he recalls, "but we did well to produce 200 canoes a year."

The 200 plastic canoes produced in 1955 were sold before they were poured.

His interest in reinforced plastic dates from a RCN small craft review in 1953.

He had been building whalers, cutters and dinghies for the Navy since 1945.

The Navy had designed a 14-ft. prototype plastic dinghy and Cadorette immediately saw the possibilities of this new material. Since the Navy was anxious to acquire fibreglass small craft, he decided to investigate.

In 1953 the use of plastic for this sort of work was still largely experimental. Even laboratory technicians couldn't give him much help.

"It was a crazy business," he recalls, speaking of the struggle to make the first molds.

"The books said use plaster. They didn't say what kind. The molds were too thick — they wouldn't dry — they weighed tons."

He finally decided on "wooden plugs" — a navy term for a pre-production model. Designs were copied from standard wood boats.

It was on the trial run that he discovered plastic boats shouldn't have flat bottoms!

"The constant pounding sets up plastic fatigue," he explains. "A new material needs a completely new model."

After repeated experiments, four molds were made — two for canoes and two for outboards.

An 11-ft. prototype dinghy was completed and passed inspection.

Then came the fire. A spark ignited some acetone, fresh plastic blazed up, and the entire building was a sheet of flames in minutes.

The tiny community of St. Jean des Piles, near Grand'Mere, had no fire fighting equipment — and Cadorette had no insurance. His plant was a total loss.

"It's funny, it was plastic that put me out of my own business and into the plastic business," Cadorette says.

Relocated in rented quarters in Grand'Mere, the job of reconstructing the wooden plugs and molds for dinghies and canoes began.

Working around the clock, production för 1955 was built up to 200 canoes and 20 sailing dinghies for the RCN — produced by the hand lay-up method.

Recognition came in 1956. Resin manufacturers reld a plastic show in Toronto to exhibit finished products and Cadorette's "LaSalle" canoe took first prize.

Last year LaSalle canoes placed first, second and fourth in the 450-mi. Minneapolis Aquatennial Canoe Derby.

When **Shell Oil Co.** asked him to make a product from their epoxy for the 1958 Chicago exhibition, Cadorette sent a canoe. It took first prize.

With the canoe market established, he then concentrated on designing models for the rapidly growing molded plastic outboard market.

The six models range from $185 for the 10-ft. cartop to $950 for the 14-ft. "Rocket" four-passenger speedboat.

One of the best sellers is a 14-ft. model, capable of taking a 75-hp engine, specifically designed for water skiing.

Cadorette's two daughters, Ylonde and Myreilla, lock after the office and showroom, while 20 men are employed year-round in the 80-ft. by 125-ft. two-story plant.

Future growth?

"We're expanding all the time," he says, "It has become like the car industry. The public expects new models every year!"

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ANNOUNCEMENT

GORDON H. LOWE

Appointment of Gordon H. Lowe, of Toronto, to the newly created position of Director, Dealer Development Office, is announced by R. M. Sale, president, Ford Motor Company of Canada, Limited. Mr. Lowe will administer Ford of Canada's new dealer development program offering capital assistance to qualified dealership operator applicants. In his 30 years' service with Ford of Canada, Mr. Lowe has been associated with the company in Calgary, Winnipeg and Windsor and was assistant treasurer before assuming his new post.

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CIGARETTES

He Made $2 Million With a Stock Plan

HOW I MADE $2,000,000 IN THE STOCK MARKET, by Nicolas Darvas; American Research Council, Larchmont, N.Y.; 178 pp.; $4.95.

For anyone interested in the stock market, this book should have real fascination.

The author, a 39-year-old, $3,500-a-week dancer, tells at the beginning a story that is familiar to many who have dabbled in stocks. It is the ending that is unfortunately unfamiliar to most.

In 1952 Darvas bought the stock of a Canadian mining company about which he knew nothing — one in fact that later saw the company's officers prosecuted for embezzlement of company funds. But Darvas made some money in it almost by accident, and he suddenly decided the stock market was a quick way to get rich.

He traded furiously for a time in Canadian penny issues, then switched to trading in U. S. stocks, using in succession tips, brokers' letters, advisory services, and similar sources of information as guides. He bought "sound" stocks, he bought "dogs". He worked hard at it, but with frustrating results.

It was only when he was forced to be away from the U. S. for a couple of years, on a world dancing tour, that he put into practice the system which made his $2 million for him in 18 months.

By selecting, mainly through their market action, a few individual stocks that looked promising, buying more if they moved up in price, and placing stop-loss orders (orders to sell) a few points below the market, he was able to hang on to the stocks that rose and was sold out of the stocks that dropped.

Under the method, "I did not have any reason to sell a rising stock. I would just continue to jog along with the trend, trailing my stop-loss behind me. As the trend increased, I would buy more. If the trend reversed? I would, as ever, flee like a disturbed burglar."

Darvas' system is not new. For instance, G. M. Loeb, author of The Battle For Investment Survival and partner in **E. F. Hutton & Co.,** is a well-known exponent of the idea of dealing in a small number of stocks, cutting losses quickly, but buying more of the stocks that do rise.

If after a long rise, a stock turns down, an investor who bought stock at a low price will feel no great urge to sell, Loeb argues. Often he will watch most of his profit disappear as a result.

If he has bought stock during the rise and owns some stock bought at the high prices, however, he will be much more alert to the change in trend and will be more inclined to take his profit while it is still large.

Not many investors have the patience, spare time or inclination to follow the detailed and demanding Darvas regimen. It involves daily study and constant attention.

Nor are most likely to have his flair for sensing opportunities and his determination to follow a rigid plan — not to mention the favorable market atmosphere that helped his 1957-59 operations.

Nevertheless, they could learn a lot of basic market facts, and be entertained at the same time, in the hour or so it takes to read this lively book.

Building Plans In Metro Windsor

Total building permits in Metro Windsor dropped to $8.7 million for the first six months of 1960 from $10.1 million for the same period in 1959.

Broken down in millions of dollars (except industrial figure), with comparable six-month 1959 figures in brackets:

Residential: $2.9 ($5.6); commercial, $1.4 ($2); industrial, $493,034 ($765,159); institutional, $4 ($1.8).

For the first six months there were 158 housing unit starts and 217 completions compared with 354 and 470 respectively last year for the period.

Residential construction permits showed an increase to $886,906 for June from the May figure of $645,510.

SSC Cancels Registration Of Regina Broker-Dealer

From Our Own Correspondent

REGINA — **Laird & Rumball (Sask.) Ltd.,** Regina, has had its registration as a broker-dealer cancelled by order of W. W. Cameron, chairman of the Saskatchewan Securities Commission, acting on its behalf.

This action followed suspension of the firm's registration last February when its books and records were seized.

In an official statement of reasons for the suspension and later cancellation, Mr. Cameron explains the action in 35 pages of typescript reviewing the case.

Summarized, his reasons are:

- **The registrant** failed to maintain adequate accounts and "engaged in deliberate concealment thereof, the concealment being directed at deception of the Saskatchewan Securities Commission and others."
- **The company** borrowed without consulting the commission.
- **It "falsely** confirmed sales" of shares as agent rather than principal.
- **It was insolvent** on Feb. 19, 1960, and no subsequent financial improvement has been shown.
- **That last December** it engaged in false advertising.
- **It exhibited** "abysmal ignorance" of its obligations to statutory authority (the commission).

This order of the chairman is subject by law to hearing and review on appeal to the commission sitting as a whole.

Name R. W. Neal To Trade Section

Russell W. Neal will become secretary of the Canadian Institute of Stove & Furnace Manufacturers, a trade section of the Canadian Manufacturers Association.

He has been manager of the Hamilton branch of CMA, will take over his new duties Sept. 1.

D. S. Keen, present secretary of the trade section, will be manager of the Hamilton branch.

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Western Plywood Earns 93c in Half

Western Plywood Co., Vancouver, unaudited consolidated net profit for six months ended April 30, 1960, was $414,000 or 93c per Class B share.

In the previous year, unaudited consolidated net profit for seven months ended May 31 totaled $595,000 ($1.34 per Class B share). For fiscal year ended Oct. 31, 1959, earnings equaled $2.07 per Class B share.

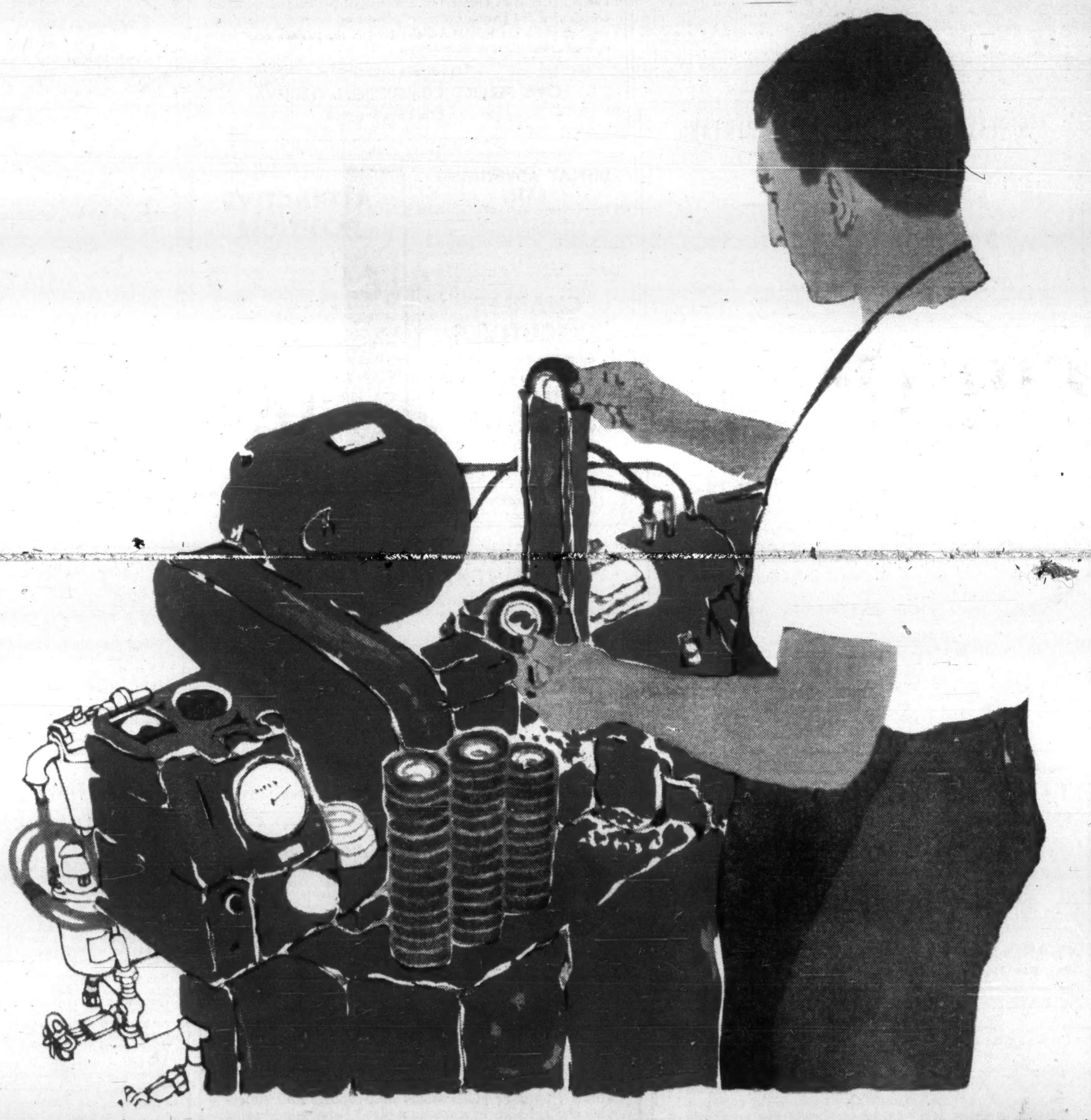
President John Bene reports that earnings in the near future are "not too bright."

Some price recovery is anticipated following increased activity in home building industry.

Export shipments have increased over the previous year. However, President Bene says that higher cost of money in U. K. might slow this trend.

Some benefits from plant improvement program should be felt by late fall.

HOW OTIS BUILDS OUTSTANDING VALUE INTO OTIS ELEVATORS



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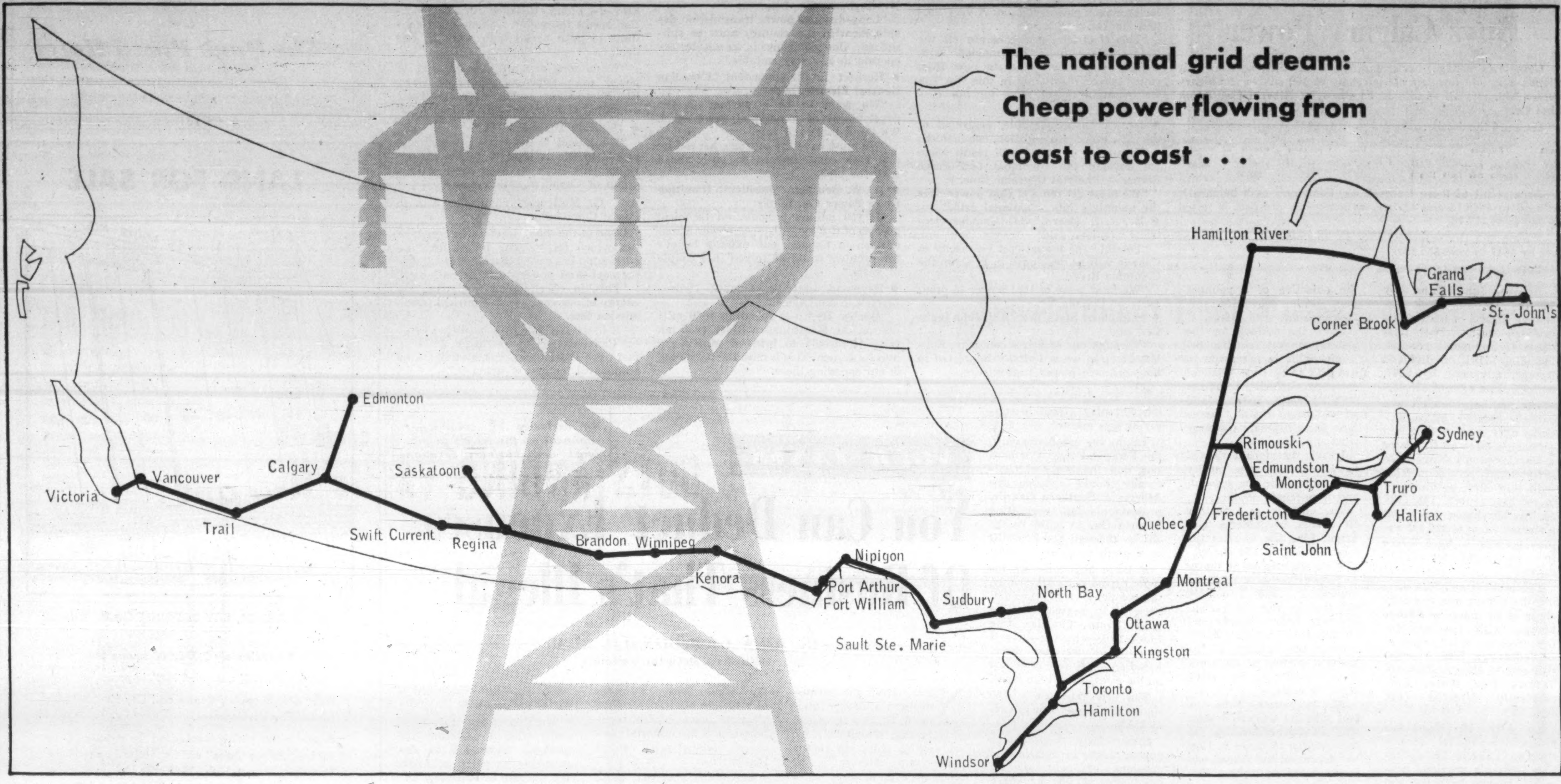

FP conception of Canada's national power grid, based on interviews with electrical experts.

CHEAP POWER: a $600 Million Canadian Vision

By NORTON ANDERSON

This is Canada's great challenge of the 1960s: To organize and finance one of the largest undertakings in our history — a vast, $600-million-plus project to link the nation's power systems into a giant trans-Canada electric grid.

The prize: Cheap, plentiful electricity for our future growth and industrial greatness — guaranteed to all of Canada, at all times.

Facing this challenge: Some Canadian leaders, who have thrust aside narrow local views and regional interests.

For the full story of long-distance power transmission, at extra high voltages, **FP** talked to these leaders, and to world-renowned engineers, electric apparatus manufacturers, and checked developments in Russia, Sweden and the U. K.

* * *

For many years, Canadians believed these half-truths:

- **Canada had "unlimited"** reserves of hydro-electric power that could be tapped as needed.
- **Huge amounts of coal,** gas and oil in the west were available for power generation, and could be considered a national power reserve.
- **We were in a position** to export to the U. S. large blocks of new power from B. C., Quebec, Labrador.

But today, power leaders are aware:

▸ **Of Canada's electric power consumption doubling** each 10 years, so that by 1980 another 50 million kw must be provided at low cost.

▸ **Of tremendous costs** to bring uneconomic loads of hydro power to small home markets in B. C., in Manitoba, in Saskatchewan, in the Maritimes — and no way provided to shift the surpluses to other provinces.

▸ **Of low-cost coal-generated electricity in Alberta,** as well as gas and oil, not available to Manitoba. Instead, Manitoba is forced to build small generating stations on the Nelson River (and later the Churchill River) to take care of local power consumption increases only.

▸ **Of power-hungry Ontario** stretching major transmission lines to James Bay by 1964 and looking hungrily at hydro-electric power 1,000 mi. away which could be developed on the Hamilton River in Labrador.

Meanwhile in Manitoba, larger generating units on the Nelson River could have filled power needs in Ontario, if long-distance power transmission was arranged, giving both Manitoba and Ontario cheaper laid-down power.

▸ **Of Ontario's importation** of expensive coal to generate power.

▸ **Of economic commercial nuclear power stations** not being available to the degree necessary to answer the power needs of Canada in the next 20 years.

* * *

That's the problem. Now the question: What is a national power grid?

It's a network of high-voltage transmission lines, up to a million volts, capable of moving at least one million kw of power for distances up to 1,000 mi.

To produce a coast-to-coast power grid, it is estimated that 5,000 mi. of line will be necessary at a cost of $550 million plus the development of new, expensive terminal equipment estimated to run to $50 million.

Plans are under way in Canada now to move power at extra-high voltages over distances of 500 mi. (**FP**, July 9). But technical difficulties — whether a-c current will be economically possible beyond 750 mi. — are puzzling engineers.

No experimental work on d-c current is under way yet in Canada. Russia, Sweden and the U. K. have advanced in the field. Canadian utility men are studying their results.

* * *

What are the economies of a power grid?

David Cass-Beggs, general manager of **Saskatchewan Power Corp.**, sees them this way:

- **"Reduction** in capacity that is held in reserve by each province for contingencies, or that is constructed ahead of demand. (Savings in capital investment: $150 million.)
- **"Reduction** in peak demand due to increased diversity.

"This arises out of our different consumption pattern in different regions, particularly as a result of the displacement of peaks in the five time zones of Canada.

"It is dark in Ontario two hours before Alberta and Saskatchewan. Over eight provinces it is estimated that 1.5 million kw could be saved, and $300 million investment money would not have to be spent.

- **"Savings** due to the greatest use of lowest cost energy resources and the highest use of available energy storage.

"(Annual savings estimated at $45 million.)

"The main resources capable of further development on a large scale — excluding nuclear energy — are coal in the Maritimes, hydro in Quebec (and Labrador), [illegible] Saskatchewan and Alberta, hydro in B. C.

"Any development that would permit the flow of energy from east to west toward the centre would be advantageous.

"The pattern that might be anticipated for 1965 is that Quebec would generate only with hydro, holding what steam capacity it might have in reserve.

"From its hydro, Quebec would meet all its own needs and export to Ontario, New Brunswick and a small amount to Nova Scotia.

"Ontario would use all its hydro and generate from coal for part of its own needs (with part of its steam generation on stand-by).

"But Ontario would also import from Alberta, Saskatchewan and Manitoba, as well as from Quebec.

"Power loads between Saskatchewan and Manitoba would reach 1.25 million kw, with one million kw between Manitoba and Ontario.

"No new B. C. hydro power, such as the Columbia River, has been assumed to be available as soon as 1965. B. C., therefore, is then importing from Alberta."

* * *

Has any planning for a national power grid been done? Nothing, but probabilities exist today. No expert has taken a look at the whole national picture.

An "ad hoc" committee set up by the Department of Northern Affairs and the National Research Council — composed of government representatives, leaders and engineers from electric utilities and manufacturers — has made little progress, according to utility men.

It will take a team of systems planning experts — of which there are only about a dozen in Canada and half of them at Ontario Hydro — two years of study before the economies of the plan are worked out.

One problem: Where should the interconnections be made?

What's more, no calculations are available yet about when substantial nuclear-generated power will be available.

* * *

What interconnection now exists between provinces?

▸ No power connection exists over the Rockies between B. C. and Alberta.

▸ Saskatchewan and Alberta are discussing a power link.

▸ Manitoba and Saskatchewan will have a small power grid operating in August — between Brandon, Man., and the boundary station at Estevan, Sask.

▸ Ontario and Manitoba tie in with a 138,000-volt power connection.

▸ But Ontario Hydro's northwestern system is not connected with the southern system. No connection exists between Sudbury and Nipigon.

▸ The Ontario Hydro system has an interconnection, not only with the Quebec system, but also over the International Boundary with the New York State Power Authority lines and with Niagara Mohawk and Detroit Edison. This power link covers a total area of 500,000 sq. mi.

▸ A small power interconnection by **Lower St. Lawrence Power Co.** from Rimouski by submarine cable across the St. Lawrence River "hardly represents a power link with New Brunswick," says Raymond Latreille, a commissioner acting for the president of the Quebec Hydro-Electric Commission.

▸ Nova Scotia and New Brunswick, with assistance from Ottawa, are building transmission lines to interconnect their two systems.

However, noted Canadian electrical engineers emphasize that these power links are completely inadequate for the transmission of big power loads at extra high voltages. That terminal equipment in the provincial systems will have to be revamped before a national power grid starts operating.

* * *

Now comes the $600 million question: Who should organize and finance a trans-Canada electric power grid?

"Ottawa," says Donald M. Stephens, chairman of the Manitoba Power Commission. His opinion is supported by other electric utility leaders.

"No surrender of provincial autonomy would be involved — in fact, both the nation as a whole and the provinces individually would be helped," he told **FP**.

"Some of us think that there is enough similarity between a national electric power grid and earlier federal government policies instituted for canals, railways, airlines, pipelines, microwave that Ottawa should not throw the idea out of the window," he said.

Saskatchewan Power's Cass-Beggs suggests that if a power grid is built — connecting all the major centres in Canada from the Atlantic to the Pacific — it could be operated by an inter-provincial organization owned co-operatively by the various utilities.

They would buy power in surplus areas and sell it where it was needed. Or, the transmission line could operate as a common carrier transmitting, for a fee, the energy exchanged in deals between utilities.

Northern Affairs Minister Hamilton is a strong supporter of the power grid plan. Recently he told utilities officials they should be planning now.

Many sources — utilities, manufacturers, provincial government spokesmen — told **FP** that somebody must step in now and give leadership.

Somebody, they say, has to move now to see that the technical problems of long-distance power transmission are co-ordinated, and that Canada takes the fastest means to get d-c experimental power transmission under way — if it is decided that we should not wait for further developments in Russia, Sweden, the U. K.

Some designated authority must pay for a full-scale study, suggested by Ontario Hydro's chairman, James S. Duncan, for one, of Canada's electrical needs and the probable course of power development across the country during the next 20 to 40 years.

This co-operative projection of system growth and development of power resources within the provinces, Duncan believes, will contribute a great deal of information about the economics of a transcontinental grid.

"It would suggest further steps toward making the grid a reality in the future," he said.

A national power grid might save a further $1.3 billion in this way:

Most utilities maintain a reserve of available power for safe system operation — called "spinning reserve".

In a hydro station having six units, at certain times of day five would actually be producing electricity while the sixth would be left spinning, using up a certain amount of water but not delivering power to the transmission system.

Most utilities maintain a reserve of about 10% of total required capacity. It is estimated that by 1980 Canada will be consuming [illegible] million kw of electricity. Spinning reserve might, without a national grid, be as high as 7.6 million kw.

Since the average cost of one kilowatt installed in a hydro generating station in Canada may be assumed to be $350, capital required for installation of spinning reserve would be about $2.6 billion.

Engineers claim that extra high voltage ties between power systems would reduce the required rotating reserve by at least 50% without reduction in safety. And this reduction would represent a saving in the order of $1.3 billion.

* * *

Here are opinions from industry leaders, gathered by **FP**.

- Manitoba's Stephens said:

"One of the major handicaps in plan-

(Continued on page 16)

What Is The Grid?

There are grids and grids:

▸ **Every province in Canada has an electric power grid.**

These are transmission lines starting at the generating stations. They carry big or little loads of electricity — pushed by low or medium voltages — over short or longer distances.

They connect up different electric utilities. They function to bring power to every community in their area.

▸ **But the really big power grids** for nation-wide transmission of power are something else again.

Tremendous blocks of power (a million, or more, kilowatts) must then be bumped by voltages (up to a million) over long distances (up to 1,000 mi.).

STEPHENS

CASS-BEGGS

DUNCAN

KEENLEYSIDE

Four Power Bosses Behind Grid Drive

Four of our Canadian electric utility chiefs behind the national grid drive:

- Donald M. Stephens, of Winnipeg, is chairman, Manitoba Power Commission. He thinks: "We are both plagued and challenged in Canada by long distance."
- David Cass-Beggs, of Regina, is the new president of the Canadian Electrical Association and general manager, Saskatchewan Power Corp. He has made a strong case for practical economies and technological feasibility of a national power grid.
- James S. Duncan, of Toronto, is chairman, Ontario Hydro-Electric Power Commission. Through "intense interest" in a trans-Canada power grid, he has organized and headed a fact-finding group of utility men for a trip to Russia. He has visited, and has sent Ontario Hydro technical people, to Sweden and England—checking on long-distance power transmission progress there.
- Hugh L. Keenleyside, of Victoria, is chairman, British Columbia Power Commission. He says: "A coast-to-coast power grid is a necessity." Long before hydro-electric power is developed from the huge Columbia and Peace Rivers reserve, he will face great pressure to supply the U. S. with huge blocks of this power — unless the surplus can be moved east along a Canadian grid.

* * *

There is strong backing in Ottawa for the national grid. Prime Minister Diefenbaker regards energy as the cornerstone of his party's national policy. The Conservative government is strongly for a grid.

Compton's Portfolio
A Managed Investment Account

Invested in 1944 .... $10,000
Account latest valuation $35,633

Buys Calgary Power

Compton's manager has strengthened the utility section of his client's portfolio through the purchase of 100 shares of **Calgary Power Ltd.** and an additional 50 shares of **Alberta Gas Trunk Line Co.**

Here are the details:

Shares	Purchase	Date	Price per share $	Net amount $	Indicated income $
100	Calgary Power	July 19	21⅝	2,192.50	40.00
50	Alberta Gas Trunk Line	July 19	18¼	927.50	....

As a result of these transactions, Compton's cash balance is reduced to $648.18 and his annual income in prospect is raised by $40 to $1,377.78.

During the month ended July 15, the value of the account rose by $647 to total $35,633.

Here is the manager's report:

Between June 15 and July 15, the Toronto Stock Exchange index of industrials declined 1.7%. The total value of Compton's account, including $161 of dividend income, advanced by $647, or 1.9%, to a total of $35,633.

The net improvement was entirely created by a purchase offer made for certain common shares of **N. Slater & Co.** Compton's shares were surrendered in connection with this offer, as discussed in my last report (**FP**, July 2). The 100 shares, which had a market value of $26.125 the previous month, were therefore exchanged for $35.10 cash.

The other transaction during the month was the purchase of 10 shares of **Philips Lamps**, with the proceeds from the sale of six shares of **Confederation Life Association** and 50 class A shares of **Toronto Iron Works Ltd.**, previously reported (**FP**, June 25).

At July 15, Compton's prospective annual income stood at $1,337.78. The reduction from his previous projected income reflected the fact that at July 15 there was an unemployed cash balance of $3,768.18.

It was necessary to re-invest these funds to further the objective of a younger man, seeking growth of capital consistent with safety.

Since the outlook for the general market remains uninspiring, it is necessary to emphasize the type of company which combines stability with growth, and whose shares should, therefore, show ultimate recovery from any recession.

I have, therefore, arranged to increase one utility stock already in the account, and to purchase another.

The addition is a further 50 shares of **Alberta Gas Trunk Line Co.** to raise the total holding to 100 shares.

When the original 50 shares were purchased at $23¼ in September, 1959, I pointed out that in view of various hearings before boards and commissions which would precede the building of the western portion of the company's facilities, the stock could be volatile.

At the present time the fact that the western system was not approved in time for construction to begin in 1960 has depressed the shares, and I am therefore taking this opportunity of adding a further 50 shares at $18¼.

The California market is expected to draw more gas from Texas and from Wyoming, but I believe that Alberta too will play a part in supplying this market.

Taking the optimistic view, the Federal Power Commission and the State of California should approve the **Alberta & Southern Gas Co.** project this fall, permitting Alberta Gas to build its facilities through the Foothills in a crash program in 1961.

If these approvals are for some reason not forthcoming, the company would then fall back on its present contract with **Trans-Canada Pipe Lines Ltd.** which assures it earnings of 85c per share, based on 7½% rate of return on the assets already in place.

The new purchase is 100 shares of **Calgary Power Ltd.** at $21⅝.

Superficially these shares appear high in relation to earnings of only slightly more than $1.00 per share expected in 1960, and in relation to the dividend of 40c. However, the shares are actually slightly cheaper than many growth utilities in the U. S.

It appears that the company can continue its expansion without common stock financing in the foreseeable future, and that earnings per share should continue to grow at about 9% yearly, even allowing for some moderation in the rate of growth of its territory. These factors have attracted attention among the type of investors willing to sacrifice current income, and even to pay a premium, for quality.

The most recent transactions will reduce the cash balance shown in the accompanying table, and increase the prospective dividend income by $40 per year. These changes will be included in next month's summary.

Here is Compton's portfolio at July 15:

BONDS	Cost —Per Share— $	Market —Per Share— $
$5,000 Govt. of Canada 5½%, Oct. 1, 1962 ..	99.50	103.50
2,000 Govt. of Canada 5½%, April 1, 1963 ..	99.75	103.55
COMMON STOCKS		
100 Abitibi Power & Paper ..	18.99	40.00
50 Alberta Gas Trunk Line "A"	23.25	18.375
50 Bell Telephone	40.37	45.125
100 British Columbia Power ..	38.37	31.875
60 Canadian Breweries	33.52	38.375
125 C.P.R.	32.99	23.875
50 R. L. Crain	18.75	18.50
50 International Nickel	34.20	55.50
10 Philips Lamps	161.00	157.00
50 Price Bros.	43.50	39.25
50 George Weston "B" ...	34.50	35.375

	Book Value	Market Value July 15	Prospective Annual Income
Bonds	$6,970	$ 7,246	$ 385
Common stocks.	23,189	24,619	953
Cash	3,768	3,768	....
	$33,928	$35,633	$1,338

Current market value	$35,633.40
Prospective annual income	$ 1,337.78
Average yield on original $10,000	13.38%
Average yield on current market value	3.75%

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ANNOUNCEMENT
DILLON-WARDROP ASSOCIATES

G. E. HUMPHRIES, P.Eng.

W. L. WARDROP, P.Eng.
George E. Humphries, P.Eng., and W. L. Wardrop, P.Eng., Presidents respectively, of M. M. Dillon and Company Limited and W. L. Wardrop & Associates (Management) Limited announce the formation of Dillon-Wardrop Associates — Consulting Engineering.
The firm has been organized with head office in Winnipeg, Manitoba, to integrate the consulting and design services originally provided by the separate companies in the heavy engineering field in Western Canada.

Cheap Power: $600 Million Vision

(CONTINUED FROM P. 15)

ning production is the absence of a national power grid.

"In Manitoba we are building smaller generating stations than should be built for economic power. Reason: A very limited market.

"The electricity we generate on the Nelson River must be 'melded' with cheaper power we generate now from closer power sites. Only in this way can we maintain a low price for our customers."

● Dr. H. L. Keenleyside, chairman of the B.C. Power Commission, commented:

"A surplus of power will result when we develop the Columbia and Peace Rivers — likely at the same time.

"We must get some of that power over the mountain into a national grid."

● Dr. R. L. Hearn, world-famous electrical engineer, said:

"Possibly the lowest-cost electricity in Canada will be developed in B. C. on the Columbia River.

"We need some of that power in other parts of Canada."

● Humphrey Style, president, **John Inglis Co.**, said:

"Through our associate company, English Electric, we are vitally interested in long-distance power transmission.

"The importance of establishing a national power grid cannot be stressed too much. We are ready to take part in future studies."

● G. L. Wilcox, president, **Canadian Westinghouse Co.,** believes:

"Long-distance power transmission development in this country must be subsidized. Our company is ready to cooperate in any way suitable."

● Herbert Smith, president, **Canadian General Electric,** said:

"We want to be a partner in the development of a national power grid. We think that's our role.

"We must have the courage, backed by real cash commitments, to push ahead with the plan."

● A. W. Southam, president, **Hamilton River Power Co.,** thinks:

"If $50 million is spent on technical aspects of d-c long-distance power transmission in Canada, our experts believe the problem could be solved in a couple of years."

● Raymond Latreille, Quebec Hydro-Electric commissioner:

"Quebec Hydro is spending $300 million on the Manicouagan River (450 mi. from Montreal) to bring 6 million hp into its system. This is only the beginning of our spending there.

"We are greatly interested in a national grid."

● Dr. R. E. Hartz, president, **Shawinigan Engineering Co.:**

"Excellent progress is being made on EHV-d-c long-distance transmission across the water. Canada must continue to push ahead with work in this field.

"When long-distance transmission of power over 1,000 mi. distance comes, Hamilton River power (conservatively estimated at 6 million hp) will go fast."

● Ontario's Duncan:

"We intend to send special technical people to Russia soon to follow up developments since my visit there with a group of Canadian utility men."

● J. G. McGregor, chairman, Alberta Power Commission:

"One of the many interesting possibilities which fortune has thrust into Alberta's lap lies in the direction of exporting coal-fired power to Eastern Canada.

"This, in effect, means exporting the energy of our coal by an electrical transmission line.

"It is the energy in our coal that Eastern Canada needs, not the ashes, and here just over the horizon is a practical and economical method of doing it."

YOUR TAXES

An exclusive FP column of comment on the trends in personal and business taxation

You Can Deduct Expenses Of Business That's Illegal

By JOHN G. McDONALD, LL.M.
McCarthy & McCarthy, Toronto

NOW THAT the **Strauss** decision is history (until someone in Ottawa decides to plug another "loophole"), we are free to point out that a partnership interest is as much a capital asset as a share of stock.

Mr. Strauss was taxed on the capital profit he received upon the sale of part of his interest in a partnership.

He was not a dealer in partnership interests. His stake in the firm was as permanent as any such interest can be.

His appeal was allowed by both the Board and the Exchequer Court.

The corollary of the Strauss rule is that if you buy a partnership interest—or buy out your partner's interest in your own firm — the amount paid is a non-deductible capital expenditure.

This was the result in the recent case of **George Riches vs. Minister of National Revenue.**

Those 'Illegal' Business Expenses

Another major contest in the courts during the past year has involved the question whether the expense of conducting an illegal business —or a business that involves some breach of the law—is deductible for tax purposes.

A collateral question has been whether legal costs incurred to defend business practices are deductible if the practices in question turn out to have been contrary to law.

The first issue was resolved in **Espie Printing Co. vs. Minister of National Revenue,** in which the Crown argued that the taxpayer should not be permitted to deduct wages paid or the cost of certain materials used in the business because the rates of wages in question violated wartime salary control regulations and the material purchases violated price control regulations.

The Court held that these violations of other laws were irrelevant facts.

Income tax is payable on net profit — not gross revenue, and nothing in the Income Tax Act entitles the Revenue to claim more on the ground that the taxpayer committed a breach of the law in the course of carrying on his business.

Expenses of this type are to be distinguished from fines and penalties, which have been disallowed as deductions for tax purposes on public policy grounds.

The second issue, concerning legal expenses, was disposed of in **Rolland Paper Co. vs. Minister of National Revenue,** where the Exchequer Court allowed the deduction of the cost of defending a "combines" prosecution under the Criminal Code.

The taxpayer had entered a plea of guilty, and its law costs had been disallowed by the Department on that ground.

The Revenue position in these cases has always been anomalous, because tax is always demanded and held to be payable by persons engaged in wholly illegal businesses — such as gambling, operating slot machines, and bootlegging.

In other words, the government has wanted its full share of booty, but has refused proper expenses deductions upon "assumed ethical grounds".

The courts have now restored some sanity to this area of the law by requiring consistency.

The income tax authorities are getting out of their field when they attempt to enforce other laws by setting up tax penalties.

Sale of Goodwill Sale of Capital

The Revenue always tries to convert capital into income, and the taxpayer struggles in the opposite direction.

During the past five years a series of statutory amendments have closed the "capital gap"—for example, those dealing with bulk sales of inventory and accounts receivable.

But "goodwill" is still untouched, and upon the sale of a business goodwill may be disposed of for a capital profit.

The recent case of **Quick Flame Gas Ltd. vs. Minister of National Revenue** is directly in point.

The taxpayer sold its local retail business to its contract distributors, and the price to each distributor included a factor for goodwill.

The Department unsuccessfully tried to allocate the goodwill payments to depreciable property sold, for the purpose of imposing "recapture" liability.

Most of the recent goodwill cases are concerned with valuation problems, because taxpayers tend to overvalue the goodwill of their businesses.

When you transfer your business to a company formed for the purpose of acquisition, over-valuation of goodwill may result in a tax assessment under section 8(1) of the Income Tax Act.

Your company will have conferred a taxable benefit upon you to the extent of the over-valuation.

Crown Zell. Net Up 21%

Net income of **Crown Zellerbach Canada Ltd.,** Vancouver, for six-month period ended June 30 was $4,667,000, up 21% from $3,856,000 for similar period last year.

Net income and sales, $53.5 million compared with $47.3 million, were both record highs, President G. H. Gallaway reports.

Main factors in the increased sales were higher newsprint volume and sales from company's plywood supply division in Eastern Canada and Columbia paper division in British Columbia.

These relatively new divisions were not reported in the first half of fiscal 1959.

Sales of pulp and paper continued somewhat higher than last year, but a drop in prices for lumber and plywood was experienced in the first quarter.

Despite the downward trend, company anticipates over-all 1960 results to show an improvement over 1959.

While dollar exchange disadvantage eased in the second quarter, it still exceeded that of the same period last year.

Because of fewer housing starts in Canada and the U. S., sales of lumber and plywood have not kept pace with production. As a result, a two-week curtailment of production was scheduled at Fraser Mills and Elk Falls operations to balance inventories.

Cedar shingle operations proved uneconomical, are to be closed down July 31 at Fraser Mills.

Here are the highlights of first-half operations:

	1960	1959
Net sales	53,509,000	47,293,000
Other income	440,000	267,000
Less: oper. costs*	43,487,000	38,659,000
Int. long-term debt .	687,000	714,000
Income taxes	5,108,000	4,331,000
Net income	4,667,000	3,856,000
*Incl. depreciation, amortization & depl.	4,009,000	3,661,000

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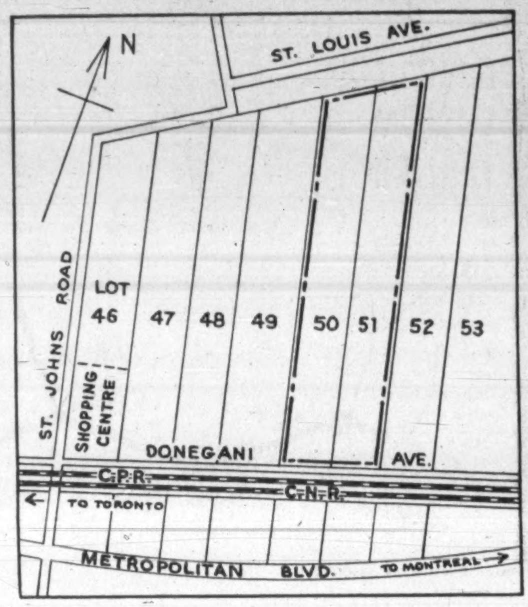

LOTS 50 AND 51, CITY OF POINTE CLAIRE, QUEBEC
AREA: Approximately 2,576,000 square feet.
FRONTAGE: 970' x Depth 2,700' (Approximate).
Near new Shopping Centre and City Hall, suitable for housing development.
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Room 1002-355 McGill Street,
Montreal 1, Quebec.
Basis of Offer: 25% cash. Balance: 10 years at 6% interest.
Certified cheque for 10% of the amount offered must accompany all bids.
The highest or any offer not necessarily accepted. Plans and further information may be obtained by telephoning Montreal —
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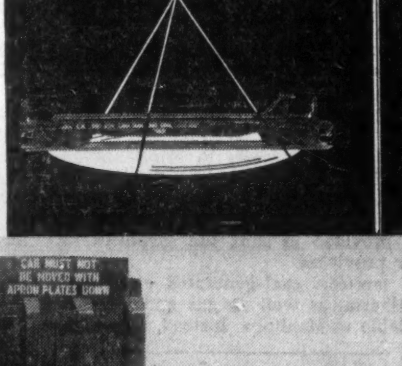
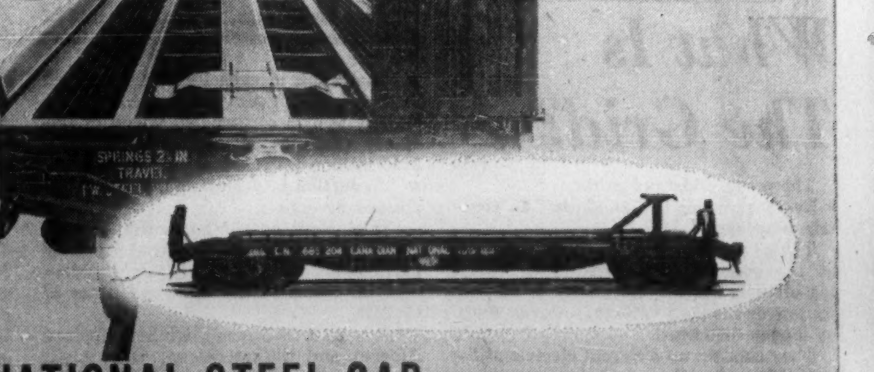
WHEN WEIGHED IN THE BALANCE
the scales are tipped in favor of rolling stock built by NATIONAL STEEL CAR.
Lightweight
HIGHWAY TRAILER FLAT CAR
The photographs below show one of 400 50-ton roller bearing equipped cars, designed by the Canadian National Railways, and recently built by National Steel Car.
Primarily a high tensile steel car of welded construction, the lightweight is 36,800 lbs.; carrying capacity is 66,000 lbs. It is 46 ft. long over end sills and 8' 2" between guard rails.
The centre sills are A.A.R. type 36.2 No. Z 26 split with web plates inserted to form a fish-belly, thereby reducing weight and providing great strength.
The floor is open at the centre, with open grid type runways. This further assists in reducing weight and facilitates snow removal.



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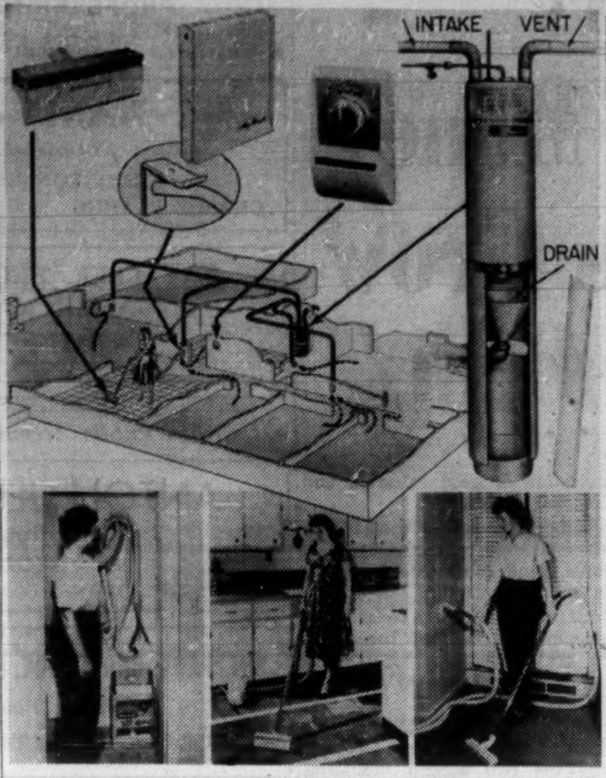


BUILT-IN vacuum cleaning system can be used in every room of the house for every cleaning operation, wet or dry.

Abitibi Thinks Second Half Will Equal, or Better First

Consolidated net earnings of **Abitibi Power & Paper Co.**, Toronto, for the six months ended June 30, 1960 were $6,054,403, up 13.8% from $5,320,524 in the corresponding period last year. Earnings per share were $1.40 ($1.22).

Net sales were $71.2 million, a gain of 9.5% over first half of 1959.

Market for newsprint, fine and printing papers has improved in recent months and shipments of these products are up over 1959, President D. W. Ambridge says.

Operations of **Abitibi Corp.**, Alpena, Mich., are showing steady progress despite the slowdown in construction and intense competition from both foreign and domestic producers.

Premium on the Canadian dollar continued to have an adverse effect on sales revenue, although there was a distinct improvement in the second quarter, Mr. Ambridge says.

For the first quarter, average discount on U. S. funds was close to 5%.

Labor contracts involving a general increase in wage rates at Canadian mills were renewed for a one-year period from May 1. These contract revisions are directly responsible for increased costs of production, company says.

Present indications are that total sales in the second half of 1960 will equal or exceed the volume achieved in the first half, the president states.

The following comparative results are unaudited for 1960:

Six months ended June 30:	1960 $	1959 $
Net sales	71,167,792	64,952,813
Less: Operating costs	52,678,561	47,963,141
Add: Int. & oth. income	484,199	400,582
Less: Depreciation	4,628,384	4,353,197
Depletion	60,000	72,000
Employees' retirement	627,248	549,811
Interest	937,410	1,024,659
Discount & expense on funded debt	20,985	31,063
Income taxes	6,645,000	6,039,000
Net profit	6,054,403	5,320,524
Earnings per share	1.40	1.22

F. Dodd Tweedie Heads N. B. Boards

Special Correspondence

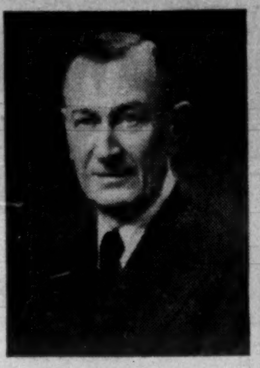
FREDERICTON — Labor Minister K. J. Webber has announced that F. Dodd Tweedie, of Edmundston, has been appointed chairman of the New Brunswick Labor Relations Board and Minimum Wage Board, replacing Horace A. Hanson, who has resigned.

Ralph J. Boyd of Moncton and S. N. MacDonald of Bathurst will be union representatives on these boards, to replace W. Arthur MacLean, Fredericton, and James H. Leonard, Saint John, who recently resigned because of changes of occupation.

Other members of the boards are D. A. McAlary of Edmundston and F. G. Wilson of Saint John, employer representatives.

ANNOUNCEMENT

PIGOTT CONSTRUCTION CO. EXECUTIVE CHANGES



R. A. LAND

THOMAS GRAY

T. L. LECH

W. P. Pigott, President, Pigott Construction Company Limited, announces the retirement of R. A. Land as Secretary-Treasurer of the Company after 38 years service, and the appointment of Thomas Gray as Secretary-Treasurer, effective July 1st, 1960. Mr. T. L. Lech succeeds Mr. Gray as Comptroller of the Company.

Mr. Gray joined the Company as Comptroller in 1945. He was formerly General Manager of Wartime Housing Limited until this Crown Company was taken over by Central Mortgage and Housing Corporation.

Mr. Lech joined Pigott Construction Company Limited in January, 1960, as Assistant Comptroller. He was previously associated with Canadian Kellogg Company for 4 years as Assistant Comptroller. Prior to 1956 Mr. Lech was with Wright, Erickson & Lee Company.

Development Bank Loans 8% Higher

MONTREAL (Staff)—Loans and investments of **Industrial Development Bank** June 30 were $102,883,081 or 8% higher than $96,155,611 a year earlier and 0.9% higher than $101,904,316 May 31.

Disbursements during June of $3,177,404 compare with $3,503,469 in June last year, while repayments of $2,198,639 are up slightly from $2,172,624

In the first three quarters of the fiscal year (ending Sept. 30) disbursements are $22,330,145 compared with $22,321,733 in corresponding 1958-59 while repayments are $16,437,517 compared with $15,014,451.

IDB was set up 15 years ago by the federal government to make term loans to sound industrial enterprises which for some reason have difficulty getting money.

Here is the most recent comparative statement of assets and liabilities:

	1960 June 30 $	1960 May 31 $
Assets		
Cash on hand and in banks	60,065	363,135
Loans and invest.	102,883,081	101,904,316
Prop'y held for sale	282,545	283,755
Guar. & u/w agree.	56,027	55,799
Other	1,555,324	1,652,817
Total assets	104,837,042	104,259,822
Liabilities		
Capital paid up	25,000,000	25,000,000
Reserve fund	12,808,968	12,808,968
Reserve for losses	1,600,000	1,600,000
Bonds & debs. o/s	62,500,000	62,300,000
Liab. under guar. & u/w agree.	56,027	55,799
Other	2,872,047	2,495,055
Total liabilities	104,837,042	104,259,822

What's New

New products, new uses, new ideas, new money-makers. FP reports them here and invites contributions. Write to FP, 481 University Ave., Toronto.

GRAND PIANO is made of light metal with a wooden soundboard. It weighs 462 lb., or about 40% less than the usual grand piano. It looks small despite its length of 73 in., the maker says.

* * *

ACOUSTIC CABINET cuts the noise of the IBM keypunch and document writers 60%, maker says. It fits over the top of the machine and has a glass shield that recesses back inside the cabinet. Maker says it saves the expense of a special sound-proof room.

* * *

JUNIOR ASTRONOMERS can get a planetarium that projects more than 60 constellations on the walls and ceilings of any darkened room, with proper compensation for both time and space. Accessory equipment projects mythical constellation figures over the stars, traces the paths of planets and satellites, and simulates six types of solar and lunar eclipse. The stars are shown in proper magnitude. An informative, simply-written book is included.

* * *

BUILT-IN VACUUM system cleans both wet and dry. You can dust furniture, wash windows, vacuum carpets, or scrub floors in any room with one central cleaning system. There is no machinery to carry from room to room, no pails of water, no dust bags to change, or filters to replace, maker says. You connect hose and tool to inlets in each room and dirt or wash water is sucked to the centrally located power unit. Dirt is removed from the air in a separation chamber and goes down a drain with water. The air is vented outside.

* * *

POP-IN BROILER. Cooking appliance resembles a toaster. It will broil hamburger, steaks, and other food dropped in like a piece of toast.

* * *

DRINK in the "Drink": For swimmers who like to take their drinks with them into a pool or lake, a U. S. firm offers a floating coaster that looks like a midget life belt.

* * *

AEROSOL SPRAY removes ice from auto windshields without leaving a film, maker says.

* * *

MOVES IT OVER, but not much. Micro-manipulator system can move a point for [illegible] millionth of an inch or 34 Angstrom units. The adjustment is considerably finer than that which the most sensitive optical microscope can detect.

* * *

CUPS AND SAUCERS can be stacked. The handle of the cup is not closed at the bottom, so six cups or more can be stacked vertically with the handle of each cup falling over the edge of the cup underneath. Saves storage space and facilitates the collection of empty cups in restaurants, maker says.

* * *

NEW LITERATURE, Advertising Division, Special Libraries Association, New York City, has a publication called "What's New in Advertising and Marketing"; price $5 for 10 issues a year. . . Brochure on new letter style and size for aluminum signs and nameplates of **Supersine Co.,** Toronto . . . Canadian Institute of Traffic and Transportation, Toronto, has syllabus covering two courses in traffic and transportation . . . Reprints of the paper, "Recent Developments and Applications of Kineplex," by engineers of **Collins Radio Co.,** Western Division, Burbank, Calif. . . . **Link-Belt Ltd.,** Toronto, has booklet on metal chip handling systems for automatic continuous crushing and de-oiling of metal chips and turnings . . . **Canadian Allis-Chalmers Ltd.,** Montreal, has leaflet on gear drive for grinding mills.

Red Wing Biggest Ship Conversion

Biggest conversion job ever undertaken by a Canadian Great Lakes shipyard was the building of the Red Wing, launched last week at **Port Weller Dry Dock,** Port Weller, Ont.

Formerly the tanker Imperial Edmonton, she was 524 ft. long with a 66-ft. beam and 21-ft. draft. Red Wing now is a bulk carrier with maximum dimensions for the St. Lawrence Seaway — 730 ft. length, 75 ft. beam and drawing 26 ft.

Her deadweight capacity: 25,350 tons.

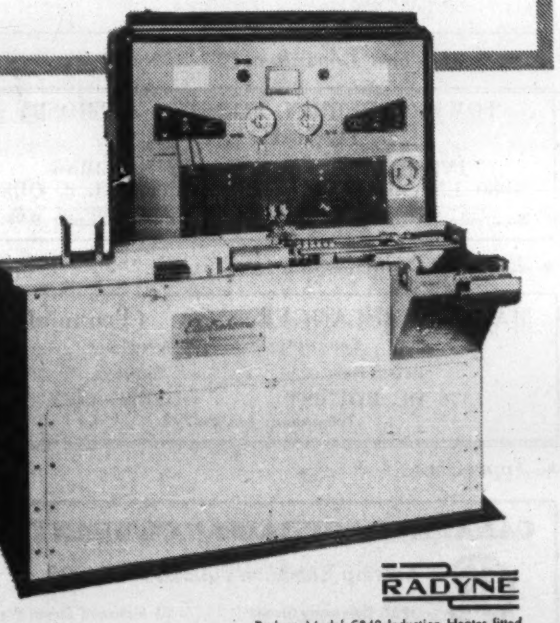
ANNOUNCEMENT

DARE FOODS LIMITED APPOINTMENT

J. M. LANGLEY

A Dare Foods Limited announcement from Vice-President (Marketing), Mr. R. B. McFadzen, appoints Mr. J. M. Langley Advertising and Sales Promotion Manager [illegible] Head Office, Kitchener, Ontario. Mr. Langley joined the company in 1959 and prior to that had considerable experience as production manager and account executive of two leading advertising agencies. Mr. Langley's appointment coincides with recent expansion plans and corporate changes announced by Dare Foods Limited.

CASE HARDENING by INDUCTION HEATING



RADYNE

Radyne Model C240 Induction Heater fitted with an Electrohome Shaft Hardening Equipment.

Bearings, shafts, rocker arms, cams and many other components can be hardened rapidly and efficiently on an automatic production line basis with Radyne Induction Heating Systems. In addition, Radyne equipments are available for induction brazing, local hardening, annealing, hard and soft soldering and melting.

Electrohome Technical Products Division has designed and engineered many such systems for various industries over the past four years and the experienced sales engineering and service departments specializing in this work are available at any time for consultation. As a service to customers, samples are processed free of charge.

Ask for your copy of the booklet, "R.F. Induction Heating", it will be mailed immediately on request.

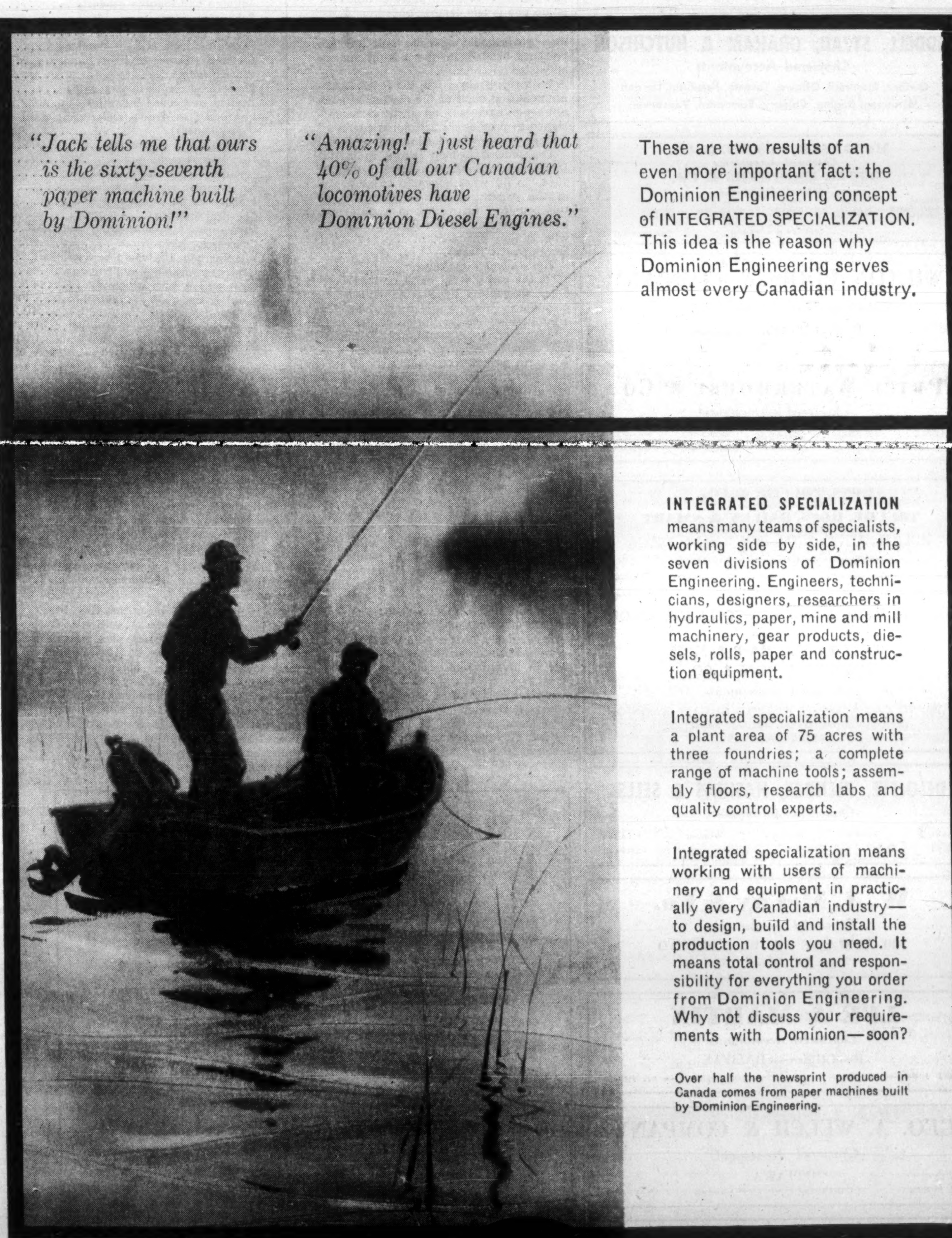
Electrohome

TECHNICAL PRODUCTS DIVISION

Dominion Electrohome Industries Ltd., Kitchener, Ontario

INDUCTION HEATING • DIELECTRIC HEATING AND DRYING • PLASTICS PRE-HEATING AND WELDING • AUTOMATED SYSTEMS

871



These are two results of an even more important fact: the Dominion Engineering concept of INTEGRATED SPECIALIZATION. This idea is the reason why Dominion Engineering serves almost every Canadian industry.

INTEGRATED SPECIALIZATION means many teams of specialists, working side by side, in the seven divisions of Dominion Engineering. Engineers, technicians, designers, researchers in hydraulics, paper, mine and mill machinery, gear products, diesels, rolls, paper and construction equipment.

Integrated specialization means a plant area of 75 acres with three foundries; a complete range of machine tools; assembly floors, research labs and quality control experts.

Integrated specialization means working with users of machinery and equipment in practically every Canadian industry—to design, build and install the production tools you need. It means total control and responsibility for everything you order from Dominion Engineering. Why not discuss your requirements with Dominion—soon?

Over half the newsprint produced in Canada comes from paper machines built by Dominion Engineering.

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PART 8: GOVERNMENT LOANS

How to Raise and Use Money To Make Your Business Grow

Here's what you can expect if you're thinking about borrowing from the government . . .

By J. K. EDMONDS

"When we go to the government for money," said one delegation of small businessmen, "all we ever get is advice."

To some extent, this is true, and for two good reasons.

• **First, sound advice is a very valuable commodity.**

A small businessman acting on good financial advice can often find money from private sources he didn't know how to tap. Or a small businessman acting on good advice may be restrained from throwing good money after bad.

Free advice — if it's sound advice — is not to be sneezed at.

• **Second, even the government can't afford to give money away.** There is no pot of gold under the parliament buildings.

If it makes money available to any group, two conditions must be met:

▸ **Use** of public money must promote the general welfare.

▸ **Funds** from the government source must add to, not replace, private funds — or no one is any farther ahead.

Even when these two conditions are met, government agencies still have to be hard-headed in the use of money entrusted to them.

With this background, the federal government and eight of the provincial governments have set up institutions designed to provide an additional source of finance for growing business.

The federal agency is the Industrial Development Bank. It was established in 1944 "to fill what appeared to be a gap in the existing financial machinery of this country" (according to a statement by the governor of the Bank of Canada who is also president of the Industrial Development Bank).

The statement continues:

"If the gap did not exist, or if it were filled adequately by private enterprise, presumably there would be no need for a publicly owned institution of this sort.

"However, it was found that small business, particularly, had considerable difficulty in getting fixed capital from outside sources. The chartered banks were not in the practice of making loans for fixed capital purposes. Their main business is making current loans, demand loans, for working capital purposes.

"The larger companies and larger industries might go to the general market and raise capital funds by the sale of securities and perhaps could place a mortgage on their property direct with some large investor, such as an insurance company.

"Smaller business cannot do that. For one thing, the costs of floating public interest securities are out of all proportion if the loan is for only $15,000 or even $100,000.

"In addition to that, a small business without an established record of earnings — particularly, of course, a new business — would not have the kind of record to give to investors to encourage them to invest."

In its first 15 years of operation, the Industrial Development Bank authorized 3,955 loans in a total amount of $260.6 million. The average amount outstanding or committed per customer at Sept. 30, 1959, was $68,000. Of the loans outstanding or committed at that date, 93% was in accounts of $200,000 or less.

There are three basic criticisms of the IDB heard among some businessmen.

One is that it doesn't take enough risks. The IDB rarely takes equity securities. What it provides is long-term debt money needed to acquire new machinery or equipment or erect new buildings or extensions to existing buildings, and occasionally to arrange a change of ownership.

Before it will make a loan it wants to be sure:

• **That** you have a reasonable amount of money invested or to be invested in the business.

• **"That** the character of the assets offered as security is such as to provide reasonable protection for the Bank."

• **That** the proposal is sound and the business shows reasonable prospects of being able to repay the proposed borrowings from earnings.

• **That** the required loan is not available elsewhere on reasonable terms and conditions.

Operating in this way, the IDB has held losses to just over $1 million over the 14 years; actual losses plus reserve for future losses amount to 1.3% of the total loans taken up by borrowers.

The usual reply to charges that the IDB is altogether too prudent is that it is, after all, a bank; its function is lending, not speculation; it is using public funds, and is supposed to encourage sound business development, not hot-shot schemes. The record of small losses may be an indication of good selection and supervision, not timidity.

The second criticism of the bank is that its operations are too restricted. It can't, for example, lend money to retail or service establishments.

The third criticism, often heard but seldom documented, is that the IDB's operations are much more vigorous in Ontario and Quebec than they are elsewhere in Canada.

In its annual report, the IDB lists loans outstanding and granted by provinces.

Certainly the two biggest industrial provinces have the lion's share of the loans, but considering the nature of the business enterprises with which the IDB is required to deal, this is not necessarily evidence that other areas don't get a fair break.

Loans have been made in all 10 provinces and the Northwest Territories, and IDB offices are maintained in all parts of Canada.

Each of the provincial agencies is intended to serve specific purposes in its own area. In all cases they come into the picture only after all other sources of financing have been tried. With minor exceptions they make loans, secured by mortgages, notes or debentures, rather than buying into the companies.

The most recent addition to the provincial government credit agencies is the Manitoba Development Fund. It is set up in a very careful "arm's-length" relationship with the government so that, although the province is the fund's only shareholder, its affairs are run by an independent board of directors "of whom only one member may be a government servant".

"Loans may be made by the MDF when financing is not otherwise available on reasonable terms, to:

"1. The operators of manufacturing plants that are established or that, by means of that assistance, will be established;

"2. Persons or organizations who are engaged, or who by means of that assistance, will become engaged, in the business of providing tourist accommodation or tourist recreation facilities for the purpose of enabling them to construct or install new accommodation or facilities, or to improve existing accommodation or facilities;

"3. Community development corporations (local investment companies operating under a provincial charter to invest in local industry);

"Many firms find that no adequate financial machinery exists to make capital available at reasonable costs. An otherwise acceptable project may require a loan for a longer term than a chartered bank may be prepared to grant or for an amount which is not large enough to warrant a public issue of securities. Again, some enterprises need financing worked out to their special circumstances which would be difficult to obtain through the usual mortgage channels. The purpose of the Manitoba Development Fund is to meet these needs."

Like the IDB, the MDF requires evidence of soundness and responsibility. And it has its own specific limitations. It, too, will not lend to retail, wholesale, or service firms, except tourist operators. Nor will it lend to "applicants engaged in primary mining, logging or quarrying".

The impact of all these government bodies can't be measured by the total number of dollars they place in loans. Their existence is a signal to the financial

(Continued on page 20)

Who Gets the Loans?

INDUSTRIAL CLASSIFICATION OF IDB LOAN APPROVALS

During Fiscal Year Ending Sept. 30

	Number 1959	Amount ($000) 1959
Foods and beverages	82	4,340
Tobacco and tobacco products	..	....
Rubber products	1	23
Leather products	5	246
Textile products (except clothing)	13	621
Clothing (textiles and fur)	33	1,707
Wood products	74	4,777
Paper products (including pulp)	6	171
Printing and allied industries	26	1,194
Iron and Steel Products (including machinery and equipment)	73	3,139
Transportation equipment	22	792
Non-Ferrous metal products	20	1,129
Electrical apparatus and supplies	12	546
Non-Metallic mineral products	34	1,497
Products of petroleum and coal	3	169
Chemical Products	20	716
Miscellaneous manufacturing industries	17	1,108
Commercial air services	13	891
Warehousing (including refrigeration)	6	478
Other transportation and storage	41	1,775
Operating a mine or quarry	5	346
Construction	33	2,095
Industrial buildings	12	884
Industrial and technical services	48	1,935
Forestry	..	....
	599	30,579

What Kind of Loans?

IDB Loan Approvals
During Fiscal Year Ending Sept. 30

	Number 1959	Amount ($000) 1959
CLASSIFICATION BY NEW OR EXISTING BORROWERS:		
To new borrowers	438	24,150
To existing borrowers	161	6,429
Total	599	30,579
CLASSIFICATION BY SIZE:		
$5,000 or less	31	105
Over 5,000 to 25,000	242	3,911
Over 25,000 to 50,000	153	5,939
Over 50,000 to 100,000	112	8,406
Over 100,000 to 200,000	43	6,293
Total up to $200,000	581	24,654
Over 200,000	18	5,925
Total	599	30,579
Average size	...	51
CLASSIFICATION BY PROVINCE:		
Newfoundland	7	236
Prince Edward Island	5	171
Nova Scotia	33	1,369
New Brunswick	26	751
Quebec	140	7,585
Ontario	193	9,862
Manitoba	32	2,065
Saskatchewan	19	978
Alberta	55	2,735
British Columbia	87	4,752
Yukon and N.W. Territories	2	75
Total	599	30,579

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Consumers' Expects Profit Will Be Ahead This Year

- *Gas firm splits stock, raises dividend . . .*
- *Aluminium has high hopes for new process . . .*

By NESTOR

CONSUMERS' GAS CO. boosted its volume of sales by 25.2% in the nine months ended June 30. Consolidated sales of gas for the period were 31,728,664 mcf (thousand cu. ft.), compared with 25,342,973 a year earlier.

Although the fall-off in new housing starts kept sales in that market materially below the level hoped for originally, the combination of a cold winter and rising commercial and industrial sales resulted in the gain in total volume.

Management expects that current fiscal year's net income will show a "satisfactory improvement" over last year's $4,057,045.

A rate reduction aggregating $1 million in the coming year will be put into effect Oct. 1, for residential and commercial heating customers.

This is the ninth voluntary rate reduction made by Consumers' since 1955, when natural gas replaced manufactured gas in Toronto. Average saving to house heating customers will be $4.77 a year.

A further saving will be made available to heating customers next summer, when the period of summer billing is extended to include June, as well as July and August.

Consumers' has more than 70,000 house heating and water heating customers in Toronto.

Consumers' wholly owned subsidiary, **Niagara Gas Transmission Co.,** was authorized last month to export Canadian natural gas into upper New York state at a point near Cornwall, Ont. Its first such application had been rejected.

Niagara still awaits the approval of the U. S. Federal Power Commission, and the New York State Public Service Commission.

Company hopes to be exporting Canadian gas to the St. Lawrence County area of New York state by the coming heating season.

Shareholders this week approved a three-for-one split of Consumers' 2.5 million authorized npv common shares, of which 2,166,516 are outstanding. This is the first split since early 1952 when the shares which then had a par value of $100 were split 10-for-one.

New shares are expected to be issued and called for trading early in August.

Dividend rate on the new shares is to be 40c annually, commencing with a 10c quarterly payment Oct. 1. Rate on the old stock was $1 annually, equivalent to 33.3c on the new shares.

Consumers' now has some 9,000 shareholders, of whom 8,675 are in Canada and 7,250 in Ontario. President A. L. Bishop said that Consumers' hoped to increase the number of its shareholders as a result of the split.

Shareholders also approved an increase in the authorized capital from 7.5 million new npv shares, to 10 million "to permit future issues".

"Money raised by common stocks has proven in recent years to be among the least costly of sources," Mr. Bishop added.

At recent market price of $41¼, common stock is 37% above UV level ($30), could rise 26% before reaching OV level ($52). Price is 22.3 times 1958-59 earnings of $1.85 a share, or 25.2 times the $1.64 earnings reported by company, which is after deducting financing expenses of $406,452. Yield is 2.91% at indicated new annual dividend rate of 40c per new share or $1.20 per old share. Price this year has ranged between a high of $42 and a low of $34.

* * *

ALUMINIUM LTD.'s second quarter sales and profits, to be announced shortly, are expected to show the quarter was about the same or slightly better than April-June last year.

Second-quarter 1959 gave the company a consolidated net profit of $8,260,000 (27c per share).

First-quarter figures for this year showed a pronounced improvement over those of 1959. This year company had a profit of $8,804,000 (29c per share) compared with $2,310,000 (8c) the year before.

It is generally expected that this improving trend will continue through the second half of the year. Competition, however, remains intense on the world market. Supply still outstrips demand, and aluminum men report that it is still very much a buyer's market.

Biggest disappointment is still the U. S., where the hoped-for demand of the "soaring sixties" has yet to make itself felt on the aluminum market. Company reports that Europe and Asia are going some way to take up the U. S. slack with a steadily increasing demand.

This week **Aluminum Co. of Canada** —the company's biggest producing subsidiary — announced news that could have an important effect on the battle to gain more markets. Nathanael V. Davis, president of Aluminium Ltd., said that work was beginning at Arvida, Que., on new facilities to produce aluminum "by a basically new process".

"The process has been under development by Aluminium Ltd. for some years through the laboratory and pilot plant stages," Davis said. "It employs, as its principal raw material, bauxite of roughly similar grades to that required by the conventional process for the production of commercial aluminum.

"The new process does not appreciably reduce the large power requirement which is an outstanding characteristic of the conventional process. It does, however, give promise of substantial savings in other elements of production cost and in the investment required per ton of capacity.

"The new facilities, designed as an experimental unit, will have a capacity of 6,000 to 8,000 tons of aluminum per year. They will be operated primarily for the purpose of confirming the conclusions already reached concerning the production costs obtainable with the new process."

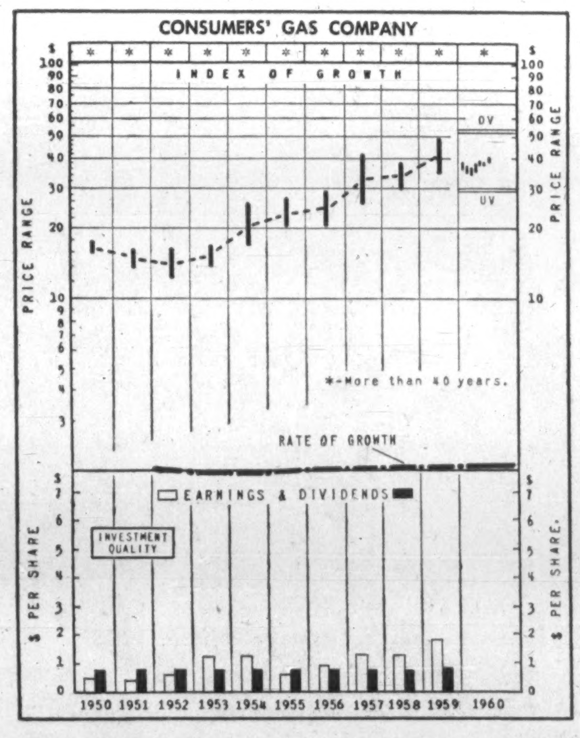
It is expected that the new process will be producing within two years. Capital cost is about $4 million. Patents have been taken out "in a large number of countries".

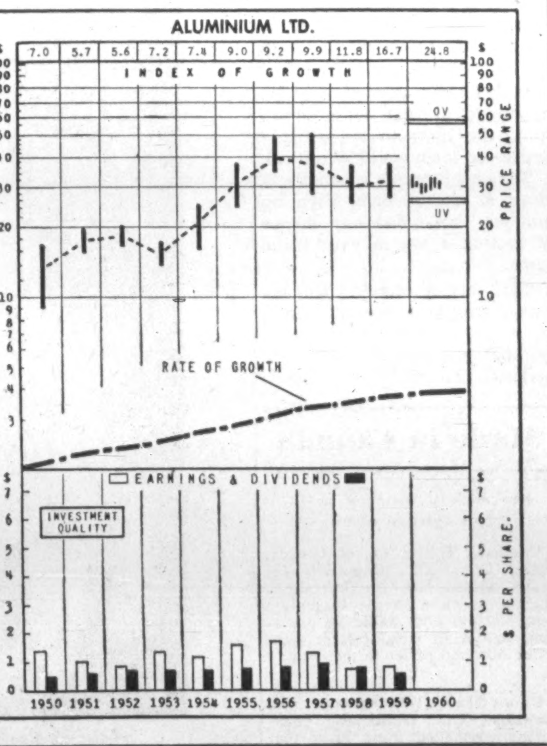
The statement did not detail the savings expected from producing the metal by the new process. But it is believed that providing everything works to plan, the result could be a significant economy in production costs.

Company continues its efforts to expand its facilities around the world. Expansion moves have been announced recently in a number of countries, India and Australia being the most recent. Plans to diversify into the U. S. market by buying out **Apex Smelting** of Chicago, however, came to grief last month when the U. S. Justice Department antitrust agency ruled it out.

"That project is now a dead duck," a company spokesman told **FP**.

At recent market price of $28, common stock is 8% above UV level ($26), could rise 96% before reaching OV level ($55). Price is 35.4 times 1959 earnings of 79c per share. Yield is 2.14% at indicated annual dividend rate of 60c (U. S.) per share. Price this year has ranged between a high of $33⅞, a low of $28.





How to Read Nestor's Special Stock Charts

INDEX OF GROWTH: The rate at which the value of the equity behind the stock is doubling as determined by the growth rate at which it entered the year A figure at 5.6 for the present year would indicate that at its current growth rate the equity value is doubling every 5.6 years.

PRICE RANGE: The annual high, low and mean price. Monthly ranges for the current year.

UNDERVALUATION AND OVERVALUATION PRICE LEVELS: Shown by the narrow horizontal lines above and below the stock's price range indicating price at which the particular stock is adjudged as underestimating or overestimating its future rate of growth. A stock showing a fast growth rate will sometimes anticipate growth by two or three years. In this case it may not be so attractive a purchase relatively as some other fast-growing stock that is not anticipating its growth beyond the immediate present. Other factors such as rate of growth and investment quality will also enter into the comparison an investor will want to make.

Without these UV or OV levels a current quotation of, say 55 or 75 would carry no significance regarding long-range value. The UV/OV levels also permit judgment as between one stock and another. They are not designated points of purchase or sale nor do they attempt to show what will be a stock's bottom or top figures in any given year.

RATE OF GROWTH: The rate as based on Nestor's tests at which the company is showing underlying or long-term growth. This will determine the price trend of the company's common stock over a period of years and in most instances the trend of dividend payments.

**Background and principles behind the selection by Nestor were discussed in special article in FP Jan. 10, 1953. A limited number of reprints are available on request.*

Here Are New Promotions in Bank of Nova Scotia

C. C. AINSLIE, manager, Vauxhall, Alta., to be manager, Portage la Prairie, Man.

W. S. BRIGDEN, manager, New Carlisle, Que., to be manager, Buckingham, Que.

G. H. DICKIE, manager, St. Clair & Avenue Rd., Toronto, to be an inspector, general office, Toronto.

G. P. MOORE, to be accountant, Brownsburg, Que.

T. O. B. Y. RAYMOND, accountant, Cote des Neiges & Appleton, Montreal, to be accountant, Quebec City.

H. G. ROCHON, to be accountant, Hawkesbury, Ont.

D. E. SMITH, to be accountant, Ottawa & Barton, Hamilton, Ont.

MRS. M. E. COLWELL, to be an assistant accountant, Vancouver.

F. T. A. MANZER, to be assistant accountant, St. Lawrence & Jean Talon, Montreal.

J. BLACK, manager, Stratford, Ont., to be manager, Guelph, Ont.

W. H. N. HITCH, to be manager, Yonge & Roselawn, Toronto.

H. W. KELSON, manager, Milton, Ont., to be manager, Pembroke, Ont.

G. LASNIER, manager, Trois Rivieres, Que., to be manager, New Carlisle, Que.

M. V. PODL, to be manager, Spiritwood, Sask.

H. G. FOOKS, to be senior assistant manager, Ottawa.

J. W. HUDSON, accountant, Danforth Squamish, B.C., to be accountant, Kamloops, B.C.

A. D. YORK, to be accountant, Bells Corners, Ont.

MRS. J. W. BARNABY, to be assistant accountant, Halifax.

MRS. M. F. GRAHAM, to be assistant accountant, Halifax.

R. C. K. HAYTER, to be assistant accountant, New Westminster, B.C.

C. W. YASKOWICH, accountant, at Danforth Rd., Toronto, to be accountant, Bloor & St. Clarens, Toronto.

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How to Raise and Use Money

(CONTINUED FROM P. 18)

community that if a gap in the credit system appears, it will be politically plugged.

"You could sum up the purpose of the IDB without an act of Parliament," says one cynical businessman. "It's to make certain that the banks run scared."

The provincial plans, he adds, are intended to ensure that specific areas aren't neglected. "As long as these acts are on the books, the ordinary lending institutions of this country aren't going to let any substantial group of sound borrowers go unserved."

Whether this is true or not, there's no doubt that the government institutions do help small business borrowers make the most of the credit sources available.

Sometimes an applicant will find that there are sources of funds he was unaware of. Sometimes his proposal, even if it is one the agency can't handle, will catch the eye of an investor indirectly. Sometimes the specialists on the staff can show an applicant how to generate more savings within the business, by dropping an unprofitable operation, or by cutting costs.

Is there still a "credit gap" in spite of all that has been done? Most financial experts say no.

"There is, and always will be, a gap between the amount of cash I want and the amount of cash I get," says one banker. "But no financial arrangement known to the mind of man is going to cure that. Money is a scarce article — or rather, the resources it represents are scarce. It will always have to be spread around where it will get the best results."

The Hood report on Financing of Economic Activity in Canada discusses the problems of financing small business at some length, and concludes:

"If small business in Canada is being regularly deprived of capital funds simply because of some anomaly of the capital market it is not glaringly obvious. Existing private institutions have shown adaptability, new institutions have emerged to meet particular needs and the public institution has expanded both the amount and range of its activity and has still unexploited means of assisting small and medium-sized enterprises."

Hood has one reservation, however: "The anomaly of the capital market represented by the ceiling on bank loan charges may occasionally (but not 'regularly') in times of very tight money operate to the detriment of some small businesses."

Hood's recipe for this ailment: take the 6% ceiling off bank loan charges. Let the banks charge the going rate.

Recent pressure for government aid in financing has come chiefly from retail and wholesale groups.

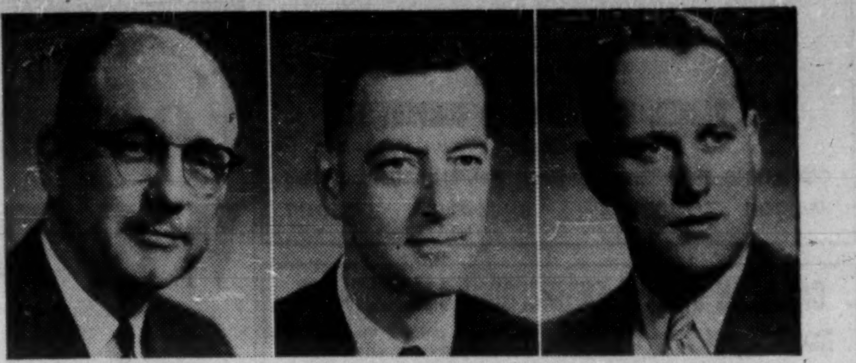
Firms in this category aren't eligible for loans from existing government agencies, and are heavily dependent on bank loans. The amount of fixed capital required in retail and wholesale firms is rising rapidly and profit margins are narrowing.

Most outside observers are not inclined to believe that providing a special source of cheap credit would solve the problems of the small merchant, since many of them are not primarily financial in origin.

The odds are that any additional government aid to small business will still involve more advice than advances.

ANNOUNCEMENT

BNS APPOINTMENTS ANNOUNCED



HARRY RANDALL — CHARLES W. JAMESON — CEDRIC E. RITCHIE

The Bank of Nova Scotia announces that Mr. H. Randall, formerly assistant to the president, has been appointed an assistant general manager, and Mr. C. W. Jameson, formerly chief accountant, is appointed assistant to the president. Mr. C. E. Ritchie succeeds Mr. Jameson as chief accountant.

Wanted: 16,000 Teachers for Universities

Wanted: 16,630 teachers and researchers.

When: By 1970.

Apply to: Canadian universities.

That summarizes the major recruiting program faced by Canada's universities and colleges over the next decade.

If the student body continues to grow at the rate of the past few years, universities will have to increase their staffs from the 1959-60 level of 8,030, to a total of 18,040 teachers by 1970-71.

By recruiting 16,630 new staff members, the universities will also make up the approximately 5% of staff who are lost to teaching each year. The projections allow, too, for the usual transfer from one university to another of about 2% of staff annually.

If 16,630 new teachers are found, the universities will be able to maintain the 1958-59 student-staff ratio of 12.7 to one.

But the student-staff ratio has been increasing about one tenth of a point annually in recent years. If this unfavorable trend continued, the ratio by 1970-71 would be 13.9 students to every teacher. In that case, the staff size would be 16,480.

If the trend could be reversed — that is, if the student-staff ratio could be reduced by one tenth of a point annually, from 12.7 to 11.5 — the staff needed by 1970-71 would number 19,920.

These projections, by the Canadian Universities Foundation, are based on a projected rise in enrollment of full-time students to about 229,000 in 1970-71.

To build the teaching staff to the size indicated by the study, the Canadian university community will have to recruit over the next decade a total of 16,630 new teachers and researchers. By years, the requirements range from 1,010 in the coming 1960-61 academic year, to 2,040 in 1970-71.

The following table is an estimate of the size of staff required in all Canadian universities and colleges year by year, assuming that the 1958-59 student-staff ratio of 12.1 to one decreases by 0.1 annually (left column), remains constant (centre column), or increases by 0.1 annually (right column):

Full-Time Staff Needed by Canadian Universities

	Decreasing ratio	Constant ratio	Increasing ratio
1960-61 ...	8,780	8,640	8,500
1961-62 ...	9,590	9,360	9,150
1962-63 ...	10,450	10,120	9,810
1963-64 ...	11,390	10,940	10,530
1964-65 ...	12,330	11,750	11,220
1965-66 ...	13,330	12,590	11,930
1966-67 ...	14,500	13,590	12,790
1967-68 ...	15,810	14,690	13,710
1968-69 ...	17,050	15,710	14,560
1969-70 ...	18,440	16,840	15,500
1970-71 ...	19,920	18,040	16,480

Source: Canadian Universities Foundation.

ANNOUNCEMENT

BP CANADA LTD. APPOINTMENT

E. J. FITZPATRICK

Appointment of E. J. ("Fitz") Fitzpatrick to the position of manager of the newly formed employee relations department, has been announced by T. Graeme McLintock, executive vice-president of BP Canada Limited. Mr. Fitzpatrick, formerly personnel manager for BP, will co-ordinate all personnel activities including employment, wage and salary administration, staff benefits, employee training, office services and travel arrangements. He will continue to be located at the company's executive offices in Montreal.

NEW BRUNSWICK

Labor Test Case Taking Shape Now

By CLIVE BAXTER

MONTREAL (Staff) — Canadian organized labor is fighting mad about a small-town Maritime candy maker who has challenged the right of an international union to sign up his workers.

Last week R. Whidden Ganong, president of the family-owned, 275-employee **Ganong Bros.** of St. Stephen, N. B., announced that if the union won bargaining rights at his plant he would either close down, move to Central Canada or sell out (**FP**, July 23).

There are strong indications that the usually sleepy little border town could become the scene of an important test case.

This week John F. Simonds, the young and hustling Maritimes organizer for Bakery & Confectionery Workers International Union, told **FP** the union had every intention of pressing on with its campaign.

Ganong's statement, he said, "has made it necessary that the union doesn't back down in the face of this challenge".

He made a point that could send chills down many a management spine:

The Bakery & Confectionery Workers, Simonds said, "pushes" the sales of union-made products.

This factor had been of "considerable assistance" in boosting the sales of another Maritime company that the union organized three years ago, he said.

Simonds didn't name the company, but the description could only mean **Moirs Ltd.** of Halifax.

Added: "We believe when we have organized Ganong Bros. we will be able to assist the management by co-operating in improving the efficiency of the plant, as well as improving the lot of the employees"

To many observers the message was crystal clear: Let your workers sign up and we'll see that you are okay.

At issue could be management's right to manage and organized labor's right to organize. In this sort of dispute feelings often run deep.

There is a growing and discomforting feeling in union ranks, from Canadian Labor Congress on down, that Canadian management is getting into a mood to dig in and fight against union advances.

Ganong has one enormous trump card to play: His company is the main employer in St. Stephen.

If he follows through with his announced threat to close up shop, the blow to the already depressed town could be critical.

Thus his message is equally as clear as the union's: Sign up and you might lose any chance of getting a job in your home town.

This sort of situation can inflame emotions on both sides. In a small town it can split families and friends into bitter opposite camps.

This Secretary Takes Orders For Food, Abuse from Drunks

From Our Own Correspondent

REGINA — Here's a chance to revamp your food store — if you don't mind rough language and you have a delivery truck.

Hire an electronic secretary to take night telephone orders (**FP**, April 2).

Foodland Ltd., with two stores in Regina, has been using the device for several months.

It's a success, more than paying its way, according to J. S. Rootman, proprietor.

At first the electronic secretary recorded many "nuisance calls", mainly by teen-age pranksters. These have now dwindled in number since the novelty of the idea has worn off.

On weekends some people call while obviously under the influence of liquor, some of them at parties or other celebrations.

The language is often "vigorous" and in certain cases has been "choice", according to Rootman.

The electronic secretary can take up to 200 calls.

It is useful only to those food merchants who deliver.

Made in Canada

New products, lines and models from Canadian plants:

Fruehauf Trailer Co. of Canada, Dixie, Ont.: Air suspension for single, tandem and tri-axle trailers, said to be more simple in design, more certain and stable in operation, lighter in weight, freer from brake hop and easier to maintain.

* * *

Canadian Westinghouse Co., Hamilton, Ont.: Automatic push-button controlled mine hoist that eliminates the hoist operator on the surface.

* * *

International Harvester Co., Construction Equipment Division, Hamilton, Ont.: Cooling system for non-radiator cooled engines that maintains a high-volume, high-velocity coolant flow, producing more uniform engine temperatures.

* * *

Canadian Kodak Co., Toronto: Improved Tri-X Pan Film with the same speed as its predecessor and increased capacity to produce large, sharp enlargements through a reduction in grain.

* * *

Canadian General Electric Co., Toronto: Line of mercury lamps for industrial, floodlighting and street-lighting with improved performance and lower prices.

* *

Gen-Tec Ltd., Quebec, Que.: A peak load stabilizer. Ontario distributor is **Electromechanical Products,** Agincourt, Ont.

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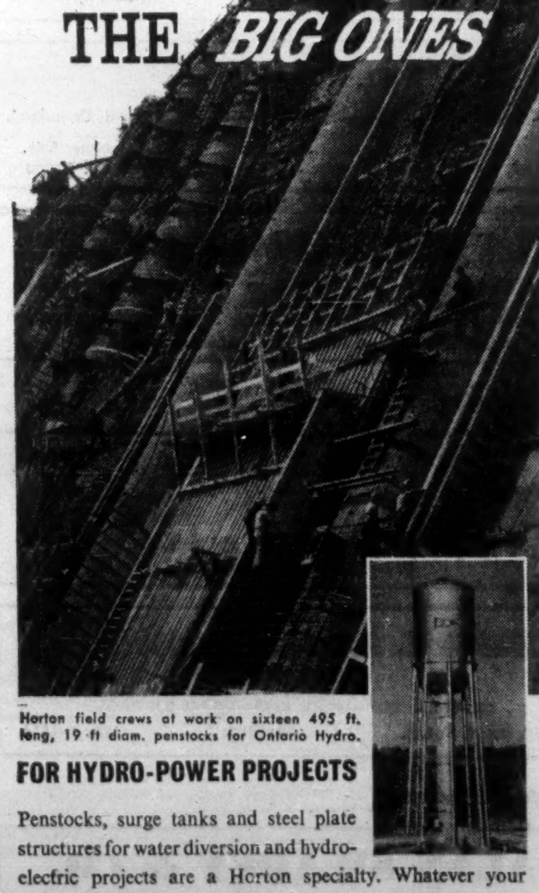

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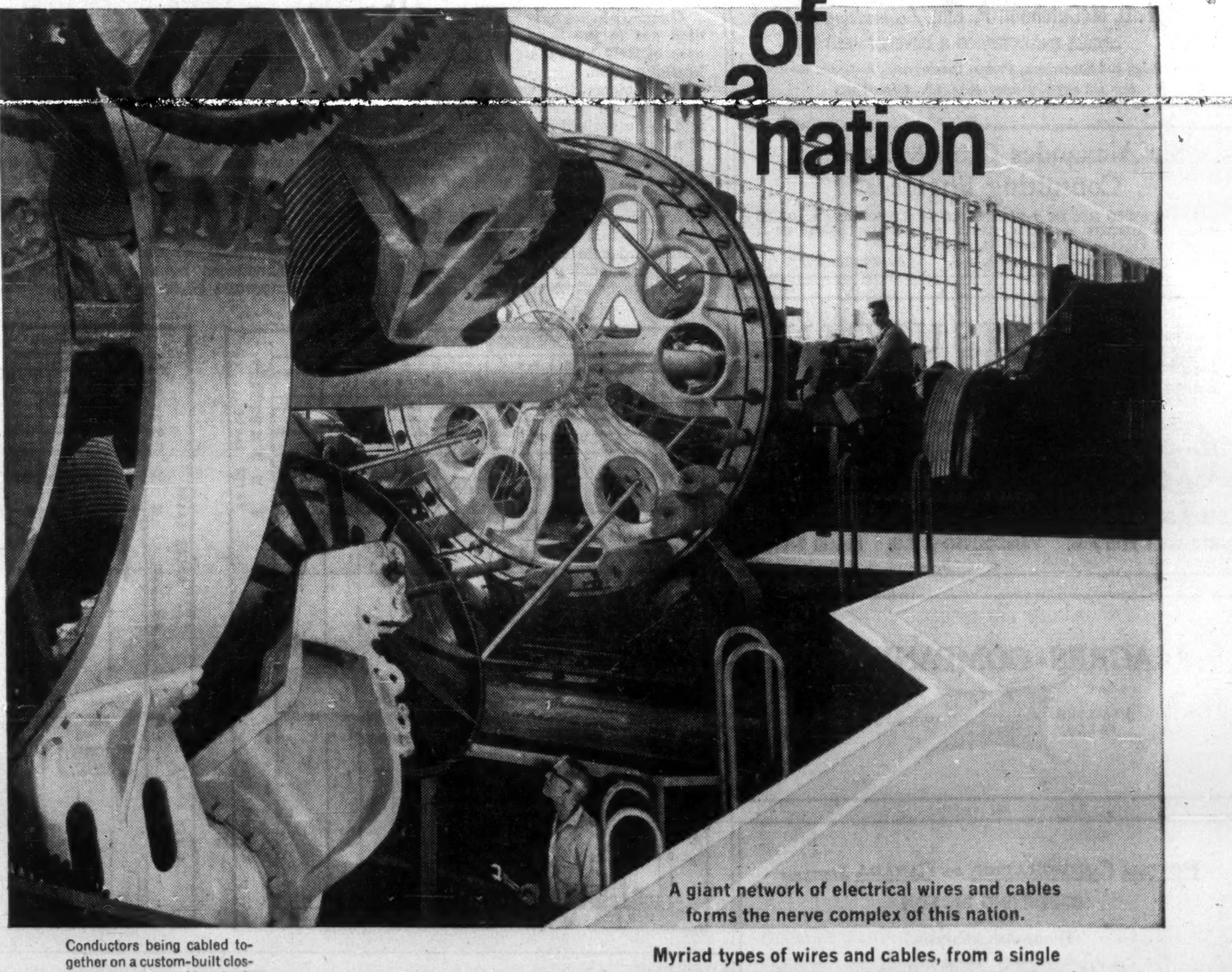

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67. How to Win the Election: Both Parties Map Strategies

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Parliament's Business

By FP's OTTAWA STAFF

A New Force Emerges

THE LAST THING the Commons did last week was study 1960-61 spending estimates of the Northern Affairs department—including a $23.1 million item for national parks across the country.

In what Resources Minister Alvin Hamilton said on this item, a sufficiently clairvoyant observer might have remembered some eloquent words of a man destined to make a new impression on Ottawa this week.

For the most significant events on Parliament Hill this week occurred outside the Commons and Senate—at the federal-provincial fiscal conference.

And the most significant of these events had nothing directly to do with the ostensible problem faced by the ten premiers and the Prime Minister at that gathering, namely:

How to devise a scheme whereby the individual parts can be made to add up to a sum greater than the whole.

The emergence of Jean Lesage, Quebec's new Liberal premier, as a bold, imaginative and opportunistic force to be reckoned with on the Canadian political scene, was the event of real importance.

His connection with what Alvin Hamilton had to say last week, on the question of letting business enterprises into our national parks, goes back to the days when Lesage was resources minister in the former Liberal government.

To suggestions that more private-enterprise operations should be allowed in the parks, Hamilton, showing some exasperation, replied:

"Hon. members should be aware of the fundamental purpose of the parks, which is to preserve, as they were in the beginning, those beautiful scenic areas of our country in order that our children and our children's children for generations to come may go there and find certain areas where the country is the same as its original discoverers found it."

While it was essential to make "these beautiful places" as accessible as possible, it was equally as essential to ensure they are not destroyed by unwise commercial exploitation over a relatively short time.

It was like a voice out of the recent past — one which two days later was to be heard bringing Quebec out of its wilderness of Duplessis - imposed isolationism during the last 15 years.

On Aug. 2, 1956, four years ago, Lesage had said, while guiding Resources Department estimates through the Commons:

"The parks were not established for the tourist industry; they were not established for commercial pursuits, or for their direct and indirect economic benefits.

"They were established, I repeat, for the benefit, education, and enjoyment of the Canadian people.

"They were established so that Canadians would have for all time great areas where they could relax and renew their strength in settings of unrivaled beauty.

"It is obvious that the value of the parks to the Canadian people rests more in the realm of the spirit than in the realm of commerce, and that this value of the parks can be lost forever unless they are preserved unspoiled and unimpaired to the greatest possible extent."

Obviously, Hamilton could have found eloquent support from Lesage for his national parks point had he needed it.

Just as Prime Minister Diefenbaker, two days later, was to find uninvited Lesage support for the idea of a bill of rights—but a bill of rights embedded in the constitution, not just an act of Parliament applicable only in federal fields of jurisdiction.

There was lightning in this wholly unexpected proposal from Lesage.

It created the only immediate problem out of the conference for the federal government.

The tax - sharing proposals don't have to be settled for a few months yet.

But how could Diefenbaker ignore the Lesage suggestion for a constitutional bill of rights which—were it ever to reach fruition—virtually everyone, including the Prime Minister, agrees would be infinitely more desirable than just another piece of federal legislation?

Push his own through? Or hold up for something better? It required a swift decision from Mr. Diefenbaker.

And he reacted quickly: announced he would call a special conference on amending Canada's constitution in Canada.

If, he said, the federal and provincial governments can agree on a method of amendment, then his Bill of Rights should be incorporated in the constitution.

For years a trite Parliament Hill joke has gone something like this:

"Moving to Quebec, you say? Got your passport?"

It illustrates as well as anything the reaction to Duplessis' habitual isolationism: the impression that Quebec, under the Great Chief, was a land unto itself.

For a brief incandescent moment last fall, it looked as though Duplessis' successor, Paul Sauvé, would lead the province back into Canada. But Sauvé died.

Still, this week it was not hard for the most amateurish clairvoyants (with which Ottawa abounds) to imagine they could discern the vigorous ghost of Sauvé, nodding in reluctant approval at the way in which Quebec's latest leader was stepping out.

Company Reports

Food

CANADA PACKERS LTD., Toronto, consolidated net profit of $5,357,437 for year ended March 30, 1960, was 13.1% higher than previous year's net of $4,734,913. The 1960 fiscal year included 53 weeks.

Dollar sales, tonnage and net profit all reached record highs.

President W. F. McLean reports that increased profits resulted from favorable operating conditions in packinghouse business and satisfactory results in other areas.

Profits equaled 0.95% of sales.

President McLean points out that from the shareholders' point of view, as capital is turned over approximately nine times a year, there is about a 9% return on capital.

From the livestock producers' viewpoint, in the past ten years, profit has represented about 1/7c lb. on live weight of animals purchased.

Since February, 1960, hog marketings have declined rapidly. This has resulted from change in federal government floor price structure.

Cattle slaughter has been increasing in 1960. Mr. McLean reports that the high level of cattle population indicates heavy marketing for the next few years.

CONS. INCOME ACCOUNT

Years Ended:	Mar. 30 1960 $	Mar. 25 1959 $
Net sales	575,891,778	541,416,248
Net oper. inc.	16,441,987	14,151,653
Add: Prof. sale f.a. & other inc.	315,367	272,632
Net earnings	16,757,354	14,424,285
Less: Deprec.	3,589,110	3,352,129
Inc. & other taxes	7,703,601	6,238,624
Less: Min. int.	107,206	98,619
Net profit	5,357,437	4,734,913
Less: Cl. A divs.	700,000	700,000
Cl. B divs.	1,400,000	1,400,000
Surplus	3,257,437	2,634,913
Earnings per Share and Dividend Record:		
Class A†	$13.39	$11.84
Paid	1.75	1.75
Class B†	5.95	5.17
Paid	1.75	1.75
Cl. A & B‡	4.46	3.95
†Before (‡after) participation.		
Shares outstanding as at:		
Class A, n.p.v.	400,000	400,000
Class B, n.p.v.	800,000	800,000

CONDENSED CONS. BALANCE SHEET

As at:	Mar. 30 1960	Mar. 25 1959
Cash	$1,472,050	$75,436
Accts., etc., rec.	24,161,665	28,728,524
C.s.v., life insur.	360,979	342,214
Inventories less res.	37,589,247	37,906,168
Prepaid exps.	1,003,741	919,848
Total curr. assets	64,587,682	67,972,190
Invest. in oth. sec.	875,230	793,935
Fixed assets*	23,743,309	24,723,678
Total assets	89,206,221	93,489,803
Due bank	10,626,074	21,154,368
Accts., etc., pay.	21,769,981	18,857,441
Divds. pay.	1,050,000	1,050,000
Total curr. liabs.	33,446,055	41,061,809
Minority interest	836,883	762,148
Appraisals surp.	5,663,432	5,663,432
Capital stock	1,438,284	1,438,284
Earned surplus	47,821,567	44,564,130
*After deprec. of	47,957,753	44,619,021
Working capital	31,141,627	26,910,381

Municipal Bonds

July 28, 1960

			Bid	Ask.	%
Halifax	4¼	'71	87¼	89¼	5.60
Hamilton	6	'79	101½	103½	5.70
Metro. Tor.	5¾	'80	99½	101½	5.62
Montreal	6	'79	99½	101½	5.87
Ottawa	5½	'79	98½	100½	5.46
Regina	5¾	'82	95	97	6.00
Vancouver	6	'80	99½	101½	5.87
Winnipeg	5¼	'77	93¾	95¾	5.65

ANNOUNCEMENT

ELECTED DIRECTORS OF THE EXCELSIOR LIFE

HENRY S. BEERS — JOHN A. HILL — CRAMPTON TRAINER

A. Bruce Matthews, President of The Excelsior Life Insurance Company, announces the election of three new Directors following the arrangement whereby The Excelsior Life becomes the Canadian affiliate in the Aetna Life group of affiliated companies:

Henry S. Beers, President of the Aetna Life Insurance Company and its affiliated companies (Aetna Casualty & Surety Company and Standard Fire Insurance Company), who has been elected Chairman of the Board of The Excelsior Life;

John A. Hill, Senior Vice President of Aetna Life, who was Aetna's successful General Agent at Toledo, Ohio, prior to becoming a Senior Vice President at the Head Office; and

Crampton Trainer, Senior Vice President and Treasurer of the Aetna Life and its affiliated companies in Hartford. Mr. Trainer is the chief financial officer of the Aetna Life companies.

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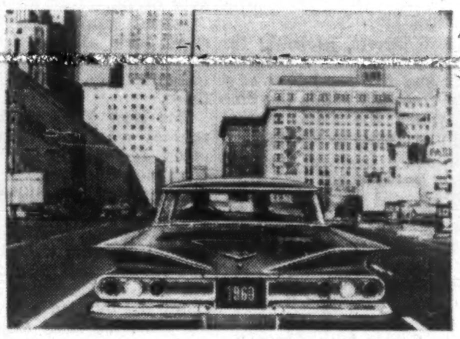

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Market Comment

What stocks and bonds are doing and what prominent observers say

Market students were closely following the action of the New York Dow-Jones industrial average this week to see if the current six-week market decline will again be halted at the twice-tested 600 level.

Another strong defensive stand at this level would give investors a welcome breathing spell; a little more precious time to assess the forward business picture.

Recent business news from the U. S. features lower second quarter earnings, continuing disappointing orders position in certain key products, further competitive price cutting. This has all tended to further cloud the second-half business picture, withdraw more investors to the market sidelines.

But despite the increasing evidences of the U. S. slowdown and the leveling off in the Canadian business picture very few Canadian investors have lightened stock holdings in recent weeks, brokers say.

Their thinking seems to be this: A good deal of the worsened business picture has already been discounted. We'll stick with stocks a few weeks longer to see if the traditional August - September pickup in new business materializes.

* * *

ARTHUR A. McLAUGHLIN; Baker Weeks & Co. (Montreal)

For the third time this year, stocks have penetrated by a slight margin the general price level represented by 600 in the Dow-Jones average of representative U. S. industrial stocks and have encountered a measure of support.

On the second occasion in early May, this support was sufficient to generate a rally which in terms of this average recovered roughly 72% of the ground lost from the all-time high at the beginning of the year. It now remains to be seen whether in the present instance demand will be sufficiently vigorous to sustain a durable advance or whether the decline has further to run before finding a solid bottom.

Several influences contributed to the sharp reaction from the June rally high.

Most prominent have been such factors as deterioration of the international situation, uncertainties regarding the domestic political outlook in the U. S., pointed evidence of shrinking profit margins and reduced earnings in a disturbingly large segment of U. S. industry, fresh fears of a downturn from the present plateau of economic activity, and necessary revision of price-earnings ratios for many stocks which had fired public imagination (some rightly and others with less justification).

[illegible] two most serious relate to profit margins and the possibility of a business recession within the time period which the stock market normally attempts to discount.

Admittedly business activity has been less buoyant than most people expected six months ago.

Most of the disappointment, however, has been due to a declining rate of aggregate inventory accumulation since the early months of the year and it is notable that when adjustment is made for this factor, it becomes apparent that final demand for goods and services has been maintained at a record level.

So long as this is the case and if capital expenditures maintain their gradual uptrend, it may be premature to write the obituary of the present phase of prosperity. The Federal Reserve has already begun the experiment of relaxing its pressure on the banking system before the actual onset of business recession, and the forthcoming presidential election appears to be crystalizing opinion in the direction of an accelerated defence program to meet Russia's challenge for world supremacy.

* * *

WM. P. SNEAD; J. H. Crang & Co. (Toronto)

In an almost uninterrupted decline from the July 8 highs of 646.91 and 142.29 in the Dow Jones averages, the New York market has been brought down to a test of the support levels of 597 and 134.

With the Rails at a new low and the Industrial Average making its third test of the support level, the technical picture of the stock market shows it has reached a very critical stage. A break through 597 and 134 would mark the beginning of a new phase of the bear market that has been under way for some months . . . a bear market that has been even more apparent in Toronto, where trading volume has faded to the lowest level since 1950.

While the tensions of the international situation are undoubtedly a factor in this accelerating decline, the key factor has been the appearance of a sequence of second quarter reports showing on one side increased sales and on the other decreased earnings.

And, the squeeze on profit margins is now becoming all too apparent. The main causes are increasing competition, rising costs and sales below the levels so optimistically forecast at the beginning of the year. These sales forecasts led to a buildup of inventories that is currently being reflected in the slow orders for raw materials, such as steel and brass, and the price cutting in appliances, automobiles and other lines.

In the solution of the inventory problems lie the prospects of business in the latter half of the year. The inventory figures for May (the latest available) show that additions to inventory in the United States are rising again. If June and July show a continuation of this rising trend, the prospects of a fall pickup in business will diminish. And, with them the prospects of any increase in capital goods spending for new plant and equipment.

The stock market is rather belatedly recognizing these trends and its action from here will provide some important indications as to the course of the market over the next few months. A spill through 597 should meet support in the 570-575 range and stage a recovery to around 600; but, there exists a definite possibility of a test of support at 500-525 by the end of September.

* * *

TERENCE G. SHEARD; Dominion Securities Corp. (Toronto)

In view of the political and economic news of recent weeks it can be hardly surprising that the dominant feeling in stock markets has been caution.

Internationally the Soviet bloc has chosen the election period of political division and uncertainty in the U. S. to menace the position of the West, and may now be preparing a yet more serious crisis over Berlin.

Recent transactions in oil and [illegible] emphasized the fact that the "cold war" has been intensified on economic battlefields.

The New York market, in its present acutely introspective mood, is watching the American consumer with new concern for symptoms that his hitherto hearty appetite for "durables" and other goods is being spoiled by uncertainties at home and abroad.

With this background the Toronto Stock Exchange Industrial Index has touched a new low for the year, the Base Metals Index has declined to within 8% of the ten-year low of 1954, and the Western Oil Index has fallen to levels unseen since 1950.

These developments, occurring in the first year of the new decade, underscore the point that Canada's economic progress is not a matter of inevitable growth to be awaited complacently, but will depend on our efforts and ability to compete in an increasingly competitive world.

ANNOUNCEMENT

APPOINTMENT NOTICE

MERRITT L. HARDING

Merritt L. Harding has been appointed Secretary-treasurer and Controller of General Bakeries Limited. Mr. Harding has been controller of Philco Corporation of Canada Limited for the past seven years. He brings to General Bakeries wide experience in all aspects of financial administration of control.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

July 26, 1960

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev Week Bid
Alg. Cen. H.B.R.	5½	'79	97	...	99
Bell Phone	5	'72	96¾	97¾	95
Bowater Pwr.	3½	'80	80	...	80
Braz. Traction L. & P.	4¾	'70	79½	83½	80
B. C. Electric	5¼	'88	92	94	92
Do.	5¾	'77	98½	100	98
B. C. Phone	5	'82	92	94	92
Calgary Pwr.	3½	'72	79	81	79
Consumers' Gas	5	'78	93	95	94
Gatineau Pr. D	3½	'70	84	86	93
Gt. Lakes Pr.	5¾	'77	97	...	97
Maclaren-Quebec Power	3	'69	83	...	83
Mexican L. & P.	5	'75	79	...	78
Nat. L. & Pr.	4½	'61	98½	...	98
North. Que. Pr.	4½	'67	89	...	89
Power Corp.	5½	'77	94½	...	94
Que. Nat. Gas	5¾	'85	73	75	72
St. Maurice Pr.	3½	'70	82½	84½	81
Shaw. W. & Pr.	4¾	'76	90½	92½	90
Tr. Can. P. L.	5.85	'87	91	93	92
W'coast T. Deb.	5½	'88	79	81	79
Industrial Issues:					
Abitibi Pr. P.	6½	'77	101½	104½	103
Do.	4	'74	84	...	84
Acadia-Atlantic Sugar	4	'74	81	...	83
Alum. of Can.	4½	'73	91	94	90
Bathurst P. & P.	5½	'73	95	97	95
Bicroft-Uranium	5	'62	95½	96½	97
Can. Bread	4½	'67	88	90	88
Can. Cement	5½	'76	94½	96½	95
Can. Steamship	4	'66	90½	...	91½
Cdn. Brew.	4¾	'81	86	88	86
Cdn. Canners	3¾	'70	83	85	83
Cdn. Celanese	3	'62	95	...	94
Cdn. Chem. Co.	5½	'71	93	...	93½
Cdn. Industries (1954) Ltd.	3¾	'74	84½	86	81
Cdn. Dyno	6	'63	96½	97½	96½
Cdn. Oil	4	'76	84½	87½	85½
CPR	3¾	'72	84½	86	84
Do.	3½	'66	91	92	91
Can-Met	5½	'63	91½	92	91
Cockshutt F. E.	4½	'65	87½	...	88
Cons. Denison	5	'62	97	99	97
Dom. Fdrs. & S.	4½	'69	91	93	91
Dom. Stores	5½	'76	97	...	97
Dryden Paper	4¾	'74	85	87	86
T. Eaton Accept.	4¾	'74	87½	90½	88
T. Eaton Realty	5½	'76	96	98	88
E. B. Eddy	4	'74	78½	...	78
Elk Falls Co.	5	'75	84	...	84
G. Motors Acc.	4¾	'69	93½	95	92½
Gt. Lakes Pap.	5	'76	92½	95½	93
Gunnar Mines	5	'60	99	...	99½
Hud. Bay O & G	4	'75	82	84½	83
Husky Oil	5	'69	84	...	84
Imp. Tobacco	3	'70	83½	85½	83½
Imp. Oil	3	'69	85½	87½	85
Indust. Accept.	6	'77	99½	101½	99½
Loblaw Groc.	6	'77	100	102½	100
Lorado Uran.	6	'62	99	100	99
Maple L. M.	3¾	'63	92	94	92
Massey-Ferg.	4½	'76	85	87	85
Milliken Lk.	6	'62	98	98½	97½
North Cdn. Oil	5	'75	67½	...	67½
Northspan	5¾	'63	96	96½	96
Northstar Oil	4½	'78	85½	87	86
Ont. Jockey Club ex. wts.	5½	'72	88	90	88
Phillips Elect.	5	'73	88½	...	89
Price Bros.	3½	'66	89½	91½	89
Regent Refining	4½	'75	83	...	81
Rio Tinto	5	'63	97	97½	97
St. Law. Corp.	5	'72	93½	95½	93
Sal.-Shirriff-H.	6	'77	100	102	100
Simpsons Ltd.	4¾	'73	92	94½	92½
Steel Co.	2¾	'67	87½	88	86
Traders Finance	4¾	'71	90	92	90
Union Accept.	5½	'68	91	...	91
Un. Grain. Gr.	3¾	'70	81	84	81
West Cdn. O. & G cum. wts.	5½	'73	90	...	90
Weston, Geo.	4¾	'71	91½	94½	92
CONVERTIBLE ISSUES					
Abitibi P. & P.	4½	'66	99	101	100
Atlas Steel Ltd.	5	'67	96½	102	98
Braz. Tr. L. & P.	4½	'71	74½	77½	75
B. C. Electric	6	'84	105½	106½	106½
CPR	4	'69	89½	91½	90
Cdn. Petrofina	4	'72	81	83	80
Cockshutt F. Eq.	5	'68	88½	...	89
Home Oil	5¾	'71	88½	91½	89
Do.	6	'75	92½	92¾	93
Shaw. W. & P.	5½	'72	107½	...	108
Westcoast T.	5½	'88	79½	82½	81
Loblaw Groc.	4¾	'76	123½	128½	121
Phillips Elect.	5½	'70	88½	91½	89
S'wood Dairies	5½	'72	98½	...	96
Trans Emp. Oils	5	'66	94½	...	94½
Do.	5½	'67	94½	...	94½
Triad Oils	4¾	'71	79	81½	80½

Price Earnings Ratios

RATIO OF MARKET VALUE TO EARNINGS OF THE 20 STOCKS COMPRISING THE TORONTO STOCK EXCHANGE AND INDUSTRY INDEX

EARNINGS PER SHARE	PRICE July 22	RATIO July 22	WEEK PREVIOUS	MONTH AGO
$53.47	$723.50	13.53	14.06	14.04

Average Yields

(COMPILED BY MOSS, LAWSON & CO.)

	JULY 26 %	WEEK AGO %	MONTH PREVIOUS %	YEAR AGO %
114 Average Stock Yields	4.91	4.85	4.85	3.97
6 Banks	3.85	3.85	3.76	2.70
18 Preferred and "A" Stocks	5.13	5.14	5.24	4.70
64 Common Industrials	4.54	4.46	4.40	3.51
26 Mining	5.89	5.85	5.94	4.89

Advances and Declines

Week Ended	Toronto Ups	Toronto Downs	Toronto No Change	Montreal Ups	Montreal Downs	Montreal No Change
June 17	218	476	167	72	136	160
June 24	241	404	214	59	136	152
June 30	204	393	194	65	136	135
July 8	426	235	187	112	87	147
July 15	283	374	166	84	122	120
July 22	241	415	171	74	119	145

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	N.Y.S.E.	American
July 25	235,100	1,719,000	34,779	54,726	2,840,000	870,000
July 22	300,100	1,603,000	35,300	76,506	2,850,000	930,000
July 21	252,500	2,067,000	21,020	47,427	2,510,000	920,000
July 20	205,800	1,812,000	56,810	55,883	2,370,000	770,000
July 19	190,200	1,897,000	17,625	52,676	2,490,000	830,000

Significant Investors' Index Numbers

	Mach. and equip.	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied prod.	Beverages	Bldg. mater.	Total Industrials	Banks	Total utilities	Total co's
No. of Securities	10	9	2	5	7	13	10	14	72	7	13	92
* 1935 to date:												
High	947.5	1238.1	252.0	285.5	410.5	304.8	724.4	590.5	315.9	399.1	218.9	297.8
Low	68.5	51.6	59.7	40.9	77.7	72.4	79.3	68.7	56.1	68.4	64.5	60.6
1960 Monthly Figures:												
Jan.	741.9	1156.8	204.2	180.2	203.2	224.5	656.0	518.0	267.6	332.8	191.0	259.2
Feb.	713.0	1080.0	194.0	173.8	197.2	216.8	634.6	488.7	257.9	316.3	186.8	249.9
Mar.	671.4	1058.1	181.5	170.8	190.0	215.8	611.0	462.2	249.3	305.8	184.5	242.3
Apr.	682.2	1101.4	181.8	173.2	189.1	230.0	625.6	469.2	256.7	309.1	188.2	248.8
May	699.2	1124.7	184.8	168.0	190.9	224.5	632.5	466.7	257.4	308.8	188.1	249.2
1960 Weekly Figures:												
June 2	698.2	1172.3	191.4	166.2	194.4	227.3	645.5	469.7	261.0	314.9	190.2	252.7
June 9	702.1	1184.3	189.2	169.0	190.8	226.2	651.1	468.6	261.5	319.5	194.7	254.2
June 16	685.1	1150.5	192.7	163.1	188.1	227.5	643.3	453.3	257.7	322.7	191.3	251.0
June 23	683.7	1136.9	189.8	166.4	187.5	227.9	636.8	449.1	256.7	316.7	188.7	249.4
June 30	659.2	1139.2	189.9	162.2	186.5	231.3	640.0	438.3	254.6	314.5	188.1	247.5
July 7	658.8	1138.3	182.4	164.4	183.3	235.3	641.6	435.1	255.4	316.1	187.6	248.2
July 14	634.1	1120.6	183.7	162.4	181.8	235.6	646.2	430.0	251.9	308.3	188.5	245.1
July 21	634.4	1099.7	182.7	161.7	186.3	233.2	638.8	416.3	247.9	311.8	187.4	242.2

*High and low for year from 1935 to date inclusive are based on weekly figures used by the Dominion Bureau of Statistics.

TORONTO STOCK EXCHANGE INDEX

	20 Indust.	20 Golds	15 B.M.	15 W.O.
July 25	472.81	77.04	149.86	77.78
July 22	473.75	77.33	150.43	78.38
July 21	477.56	77.17	150.86	78.60
July 20	480.25	77.36	152.29	79.72
July 19	481.31	76.89	152.98	78.74
Month Ago	489.81	75.88	154.41	82.39
Year Ago	551.67	90.13	174.30	117.96
1960 High	533.85	90.20	176.74	106.78
1960 Low	472.38	74.38	149.64	77.78

MONTREAL STOCK EXCHANGE INDEX

	10 Util.	20 Indust.	30 Com.	10 Pprs.	15 Golds
July 25	135.8	260.6	219.0	415.5	69.16
July 22	136.8	262.4	220.5	414.4	69.03
July 21	137.5	265.5	222.9	419.0	69.23
July 20	137.3	267.0	223.8	420.4	69.30
July 19	137.3	268.3	224.6	423.6	69.40
Mon. Ago	139.9	278.2	232.1	428.6	70.37
Year Ago	154.9	332.9	273.6	471.0	89.62
1960 High	145.1	330.2	271.6	466.7	85.85
1960 Low	... 599.10	134.02	85.02	198.00	

DOW-JONES CLOSING STOCK AVERAGES

	30 Indust.	20 Rails	15 Util.	65 Stocks
July 25	601.68	134.02	91.88	200.16
July 22	609.87	135.84	93.12	202.89
July 21	616.63	137.60	93.81	205.05
July 20	624.13	138.85	94.27	207.09
July 19	624.78	138.94	94.43	207.32
Month Ago	642.49	143.26	93.30	211.50
Year Ago	669.08	167.71	89.68	222.16
1960 High	685.47	160.43	94.87	222.62
1960 Low	1599.10	134.02	85.02	198.00

Unlisted Mines and Oils

By Brokers Dealers Assoc. of Ont.

Approximate quotations, 3.30 p.m., July 25, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask		Bid	Ask
Abbican	†4	6	Derlac	4½	6
Abeta	3	4	Despina	5	7
Abino	*18	20	Destrad	½	1½
Acon C	48	52	Dom Ex	†19	23
Do vts	46	52	Dunvegn	3½	4
Advance	3	4	E Lun	1	2
Alexand	5	6	Echo In	½	1
[illegible]					
Anabar	1	3	El Bonah	†1	2
Anamaq	1	2	Evenlode	*5	8
Anuwon	1	2	Exp All	†2	4
Arctic	1	2	Farcroft	1	3
Barima	11	13	Forty F	50	60
Beacon	†1½	3	Gan Cop	*2½	3½
Belfast	3	5	Gateway	3	4
B Jk P	1½	3	Glenburk	*4½	5½
B Gross	½	1½	Glencona	½	1
Bour C	2	3	Glen Ech	2	4
Bracema	7	9	G Harker	6½	8
Bramin	5	7	G Label	½	1½
Bright	2	3	Goldmaq	2	3
Brilund	*3	3½	Goldyke	1	3
B McD	6	8	Gov Gld	2	3
Bruce P	7	9	Hallman	3	5
Brunnet	4	5	Hot Min	3	4
Camdeck	*5	7	Hornfit	5½	6½
Camlaren	2	3	Hubert L	4	6
Camray	¾	1½	Hucamp	†12	18
C Rd C	9	12	Hud Un	3	5
C Al M	1½	2½	Independ	5½	6½
Can Fer	85	95	Ind Mt	8	12
Caral	3	5	Inmnt C	†11	13
Cstlbar	6	7½	Jamaica	9	11
Cent Man	3	4	Jean L	3	5
Cent Hill	2	4	Jerome	1½	2½
Chellew	1½	2½	KB Min	5	6
Clinger	2½	3½	Kamlac	†9	11
Clix	1½	2½	Kenog	5	6
Columbr	½	1½	Kenda P	½	1½
Comstock	3	5	Lrndona	2	3
Con Cop	†9	10½	Laronge	1	2
Con Dur	†17	20	Larum	4½	6
Cn Fred	10	15	Lassie	8	10
Con Hrp	6½	8½	L Expan	7	9
Cordell	2	4	Lk Renz	3	4
C Vauze	*85	90	Lunecho	27	29
Crackst	3	5	Magoma	3	4
Craibee	22	24	Main O	†35	45
Croyden	†1	2½	Mal RL	3½	5

	Bid	Ask		Bid	Ask.
Manecho	2½	3	Redcon	*9	11
Marchnt	23	28	Redruth	1	3
Maree	¾	1½	Redbark	½	1½
Mar Bird	3	4	Ryholite	½	1½
Mat Can	5½	6½	Richgrup	3	4
Mat Yel	4½	5½	R Tinto	65	75
McCuaig	†2½	3½	Rob RL	15	18
McFinley	4	5	Romar	—	2
Miles RL	2	3	Rugged	1½	2½
Mindust	†170	185	Russet	3½	5
Montco	1	3	Salmit C	5	5½
Mirado	6½	8	Sheldon	†13	15
M Keno	1	2	Shield	20	26
[illegible]					
Murmac	1½	2½	Slate By	2	3
Nasco	2	3	Sn Drft	10	15
Nat Nw	†38	40	S Marysx	4	7
Nw Aug	2½	3½	Starlght	1	2
N Insco	4	6	Sunbear	1	2
Nw Met	4	5	Thorncrt	1	3
N Redwd	2½	4	Tower	1	3
N Walc	1	2	Tresdor	†6½	8
Nicoba	2	3	U Ridge	5	7
Nickel L	1	2	Ungav C	2	4
Nipiron	9	10	U Prin	200	210
N Offset	†4	5	Viking	13	15
Normar	1½	3	Wadge	5	8
Oceanic	20	30	Watson	5	7
Oklend	3½	4½	Wesley	3	4
Orofino	8½	9½	Westfld	*11	14
Pacemak	2	4	West RL	2½	3½
Panther	20	30	W Wasa	*5	6
Parmlee	3	4	Y David	14	15
Pascalis	16	17	**OILS**		
Pax Nw	9	15			
Pelangio	1	2			
Penelope	30	45	BC Oil	†1100	1300
Pickering	5	6	Do rts	†600	800
Picton	2	3	C Delhi	†3¾	3¾
Pn Pt	925	1000	GS Grs	†11	13
Pitchvn	6	7	Harvest	*23	26
Prudent	5	8	N Surp	75	80
Quejo	2½	4	O Smoky	†½	1½
Quest	1	2	Paige P	3	—
Raglan	6	8	P Dover	17	20
Rand M	4	5	Phoenix	25	29

Unlisted Industrials

(Compiled by McDonnell, Adams & Co. Ltd., Toronto.)

July 25, 1960

CORPORATIONS	Bid	Asked
Alexander Bldg.	16.00	....
Anglo Cdn. Tel. A	39.75	40.75
Border Chemical	4.50	5.00
Brinton Pete Carpet	40.00	50.00
B. C. Tel. 4⅜% pfd.	82.00	....
Do. 4½% pfd.	83.00	....
Do. 4¾% pfd.	88.00	....
Do. 5¾% pfd.	101.50	....
Do. 6% pfd.	102.50	....
[illegible]		
British Newfoundland	2.12	2.50
Calgary Power 4% pfd.	71.00	....
Cdn. Admiral Corp.	—	15.00
Cdn. Canners B	11.00	....
Cdn. Chemical warr.	2.30	2.40
Cdn. Corp. Management	8.25	9.00
Cdn. Foreign Sec's	8.25	....
Capital Wire Cloth	20.00	....
Cawthra Apts.	58.00	....
Commercial Finance	63.00	....
Concourse Bldg.	140.00	160.00
Copp Clark 6% pfd.	80.00	85.00
Debentures & Secs. pfd.	80.00	....
Dollar Land Corp. units ($100, 7% deb. & 6 common)	162.00	166.00
Dom. Linseed Oil units	3.00	....
Essex Packers pfd.	32.00	....
Do common	2.25	....
Goderich Elevator	17.00	19.00
Granite Club	14.00	15.00
Gt. Britain Can. Inv. pfd.	85.00	88.00
Do. com.	17.00	19.00
Hart Battery (1957) units	3.00	....
Hees, George $6 pfd.	10.00	20.00
Hudson's Bay Co.	22.25	22.75
Humberstone Shoe	7.00	8.00
Ingersoll Machine 4% pfd.	80.00	....
Do. B	3.00	4.00
Jenkins Bros.	55.00	62.00
Lake Ont. Port. Cem. com.	1.50	2.00
Do. pfd.	4.75	5.75
Do. wts.	.50	1.00
Lord Simcoe Hotel A	.50	.80
McCarthy Milling A	4.25	5.00
Meadowvale Development	2.90	3.20
Mindustrial Corp.	1.70	1.90
Mutual Finance Corp. pfd.	.75	....
Nova Scotia L. & P. 4% pfd.	71.00	....
Do. 4½% pfd.	80.00	....
Pacific Western Airlines	....	2.00
Park Lawn Cemetery	2.25	....
Pembroke Electric Light	100.00	....
Phillips Electric	5.50	6.00
Philips' Lamp	149.75	150.50
Prairie Royalty Trust	1.75	....
Rapid Grip 6% pfd.	98.00	99.50
Robin, Jones & Whitman pfd.	13.50	16.50
S.K.D. Mfg. 6% pfd.	9.25	10.00
Scott Misener S.S.	13.00	14.50
Standard Fuel 4½% Pfd.	34.00	36.00
Steelman Gas	1.50	2.00
Teleflex Ltd.	14.00	15.00
Thompson Paper pfd.	44.00	48.00
Tor. & London Inv's	1.75	2.25
Trans-Canada Freezers warr.	1.00	....
Tor. Medical Arts Bldg.	58.00	61.00
Triarch Corp.	112.00	115.00
Universal Cooler 6%	52.00	58.00
Do. B pfd.	2.00	3.00
Do com.	1.30	....
Waterloo Mfg.	8.25	....
Westcoast Transmission	11.00	11.50
INSURANCE COMPANIES		
British America Assce.	103.00	106.00
Cdn. General Insce.	500.00	....
Commercial Life 20% paid	32.50	....
Crown Life	192.00	198.00
Dom. Can. Gen. Ins.	42.00	46.00
Dom. Life Assce.	182.00	....
Excelsior Life	210.00	....
Great-West Life	330.00	335.00
Gaur. Co. of N.A., fully pd.	90.00	100.00
Do 40% paid	63.00	....
London Life Insurance	174.00	181.00
Manufacturers Life*	253.00	....
Do.†	250.00	....
Do.§	245.00	....
Do.▪	240.00	....
Maritime Life	130.00	150.00
Monarch Life	46.00	55.00
National Life Assce.	59.50	61.50
Sovereign Life 25% pd.	175.00	185.00
Western Assurance	79.00	82.00
Western Life 25% paid	104.00	....
TRUST & LOAN COMPANIES		
British Mtge. & Trust	250.00	....
Eastern Trust	26.25	27.50
Halton & Peel Trust	12.25	13.00
Industrial Mtge. & Trust	109.00	....
Prudential Trust	22.00	26.00
Waterloo Trust	46.50	47.25

*Original pledged.
†Second pledged.
§Third pledged.
▪Unpledged.

By Kippen & Co. Inc., Montreal

	Bid	Asked
Consolidated Theatres A	6.50	8.00
Do. B	2.50	....
Dupuis Frères pfd.	14.00	....
Guarantee Co. of N. A.	90.00	100.00
Great Britain & Canada	15.00	17.00
Hart Battery Units	4.00	....
Hudson's Bay Co. (New)	22.25	22.75
Maritime Tel. & Tel.	16.75	17.50
Mtl. City & Dist. Svgs. Bk.	55.00	57.00
New Brunswick Tel.	11.75	12.50
Ont. & Que. R. 5% cap. stk.	95.00	100.00
Prudential Trust Co.	24.00	28.00
Westcoast Transmission	11.25	11.75

Record of Financing

Sales by Municipalities, Provincial and Dominion Governments, Offerings of Corporations and Securities.

DOMINION

Government of Canada Treasury Bills—Due Oct. 14, 1960 and Jan. 13, 1961, $120,000,000. Issued July 14, 1960. Sold at $99.200 to yield 3.24% and $98.306 to yield 3.45%.

PROVINCIAL

Province of Quebec — 5¼% and 5½% sinking fund debentures, to mature Aug. 15, 1968 and 1981, $50,000,000. Dated Aug. 15, 1960. Offered at $100.00 to yield 5.25% and $99.50 to yield approximately 5.54% all plus accrued interest by L. G. Beaubien & Co. Ltd., A. E. Ames & Co. Ltd., Credit Interprovincial, Ltee, Royal Securities Corpn. Ltd., Wood, Gundy & Co. Ltd., Anderson & Co. Ltd., Mills, Spence & Co. Ltd., Dominion Securities Corpn. Ltd., Burns Bros. & Denton Ltd., McLeod, Young, Weir & Co. Ltd., W. C. Pitfield & Co. Ltd., R. A. Daly & Co. Ltd., Bell, Gouinlock & Co. Ltd., Greenshields & Co. Inc., Equitable Securities Canada Ltd., Nesbitt, Thomson & Co. Ltd., Gairdner & Co. Ltd., J. L. Graham & Co. Ltd., Dawson, Hannaford Ltd., J. C. Boulet, Ltee, Harris & Partners Ltd., Collier, Norris & Quinlan Ltd., Clement, Guimont, Inc., Bankers Bond Corpn. Ltd., Rene T. Leclerc, Inc., La Corporation de Prets de Quebec, Marc Carriere, Ltee, Mead & Co. Ltd., J. E. Laflamme, Ltee, Graham, Armstrong Securities Ltd., Midland Securities Corpn. Ltd., Lagueux & DesRochers Ltee, Morgan, Ostiguy & Hudon Ltd., Cochran, Murray & Co. Ltd., Casgrain & Co. Ltd., Fairclough Co. Ltd., MacTier & Co. Ltd., Desjardins, Couture Inc., Brault & Chaput, Bartlett, Cayley & Co. Ltd., Forget & Forget Ltd., Geoffrion, Robert & Gelinas, Inc., Grant, Johnson & Co. Ltd., Fry & Co. Ltd., Brawley, Cathers & Co., James Richardson & Sons, Societe de Placements, Inc., Garneau, Boulanger Ltee, Hamel, Fugere & Cie, Ltee, J. T. Gendron, Inc., Grenier, Ruel & Cie Inc., Belanger Inc., Walwyn, Stodgell & Co. Ltd., Lajoie, Robitaille & Cie Ltee, H. C. Flood & Co. Ltd., Gaston Laurent Inc., Molson & Co. Ltd., Credit-Quebec, Inc., La Maison Bienvenu Ltee, Matthews & Co. Ltd., John Graham & Co. Ltd. and Ramsay Securities Co. Ltd.

MUNICIPAL

Montreal Catholic School Commission—5½% and 6% debentures, due May 1, 1961-70 and May 1, 1980, $5,000,000. Issued April 30, 1960. Bought privately by a syndicate of dealers headed by Wood, Gundy & Co. Ltd. and Forget & Forget Ltd.

Catholic School Commission for Hull, Que. — 5½% debentures, due June 1, 1961-80, $1,070,000. Issued July 6, 1960. Sold at $97.954 to Dominion Securities Corpn. Ltd., A. E. Ames & Co. Ltd., Rene T. Leclerc, Inc., Nesbitt, Thomson & Co. Ltd. and Banque Provinciale du Canada.

School Commission for Mun. of St. Vincent-de-Paul, Que. — 5½% and 6% debentures, due June 1, 1961-70-75, $950,000. Issued July 6, 1960. Sold at $98.362 to Banque Provinciale du Canada, La Corporation de Prets de Quebec, W. C. Pitfield & Co. Ltd., Gaston Laurent, Inc., McNeil, Mantha, Inc., J. E. Laflamme, Ltd., Veillet, Langlois & Courtemanche, Inc. and Durocher, Rodrigue & Co. Ltd.

Town of Beloeil, Que. — 5½% debentures, due July 1, 1961-75, $443,000. Issued July 11, 1960. Sold at $95.766 to Nesbitt, Thomson & Co. Ltd., Dominion Securities Corpn. Ltd., Belanger, Inc., Banque Canadienne Nationale and Gaston Laurent, Inc.

City of Farnham, Que. — 5½% debentures, due June 1, 1961-80, $115,000. Issued July 11, 1960. Sold at $97.579 to La Maison Bienvenu, Ltee and Mills, Spence & Co. Ltd.

Parish of Orsainville, Que. — 5½% and 6% debentures, due July 1, 1961-70-75, $155,000. Issued July 11, 1960. Sold at $94.00 to J. E. Laflamme, Ltee, Grenier Ruel & Cie, Inc., Oscar Dube & Cie, Inc. and La Corporation de Prets de Quebec.

Mun. of St. Joseph d'Alma, Que. — 5½% and 6% debentures, due July 1, 1961-70-75, $45,000. Issued July 12, 1960. Sold at $97.57 to J. E. Laflamme, Ltee.

Town of Roxboro, Que. — 5½% and 6% debentures, due July 1, 1961-70-80, $294,000. Issued July 13, 1960. Sold at $97.89 to Dominion Securities Corpn. Ltd.

Portage la Prairie School Division No. 24, Man. — 6¼% debentures, due Dec. 1, 1960-79, $400,000. Issued July 14, 1960. Sold at $98.81 to A. E. Ames & Co. Ltd. and Bank of Montreal.

CORPORATE

British Columbia Telephone Company — 5¾% first mortgage bonds, series I, to mature Aug., 1985, $15,000,000. Dated Aug. 1, 1960. Offered at $99.00 and accrued interest to yield approximately 5.82% by W. C. Pitfield & Co. Ltd., Wood, Gundy & Co. Ltd., Nesbitt, Thomson & Co. Ltd., Dominion Securities Corpn. Ltd., McLeod, Young, Weir & Co. Ltd., Royal Securities Corpn. Ltd., Midland Securities Corpn. Ltd., Gairdner, Son & Co. Ltd., James Richardson & Sons, Greenshields & Co. Inc., Collier, Norris & Quinlan Ltd., Pemberton Securities Ltd., Odlum Brown Investments Ltd., Rene-T. Leclerc, Inc., Yorkshire Securities Ltd., McDermid, Miller & McDermid Ltd., Thomas B. Read Co. Ltd. and C. M. Oliver & Co. Ltd.

Mesport Ltd.—3% cum. income debentures, due July 2, 1975, $250,000. Issued June 10, 1960. Offered through the company.

Windsor Fire Protection Co. Ltd.—5¾% 1-20-year debentures, $310,000. Issued July 20, 1960. Sold at $98.741 to Wood, Gundy & Co. Ltd., Eastern Securities Co. Ltd. and Royal Bank of Canada.

Options on Stock

Supplied by Kippen & Co. Inc., Montreal
90-day Call Offerings per 100 shares at current market prices
July 25, 1960

Alta Gas Tr	$190	Irish Copper	$20
Algoma Steel	295	Jacobus	20
Aluminium	245	Kerr-Addison	140
Bailey Selburn	80	Madsen Red Lk	30
Campbell Ch	70	Maritimes	18
Can Southn Pet	45	Merrill Island	15
Cdn Chemical	80	Murray Mining	16
Can Delhi	60	New Dickenson	38
Cdn Devonian	40	New Hosco	15
Cdn Export Gas	23	North Coldstrm	18
Cdn Husky	70	Opemiska	70
Central Del Rio	52	Pacific Pete	95
Copper Rand	21	Preston E Dome	45
Creative Telef	150	Provo	25
Denison Mines	110	Quebec Nat Gas	95
Dom Fdy & Stl	425	Rio Algom	90
Dom Stores	435	Roe, A. V.	75
Dom Tar & Ch	160	Salada-Sherriff	125
Famous Players	195	Sherritt-Gordon	38
Fargo	40	Steep Rock	95
Frobisher	26	Temagami	25
Gen Developmt	160	Trans-Can Pipe	175
Gunnar Gold	90	Triad Oil	35
Home Oil A	85	United Oils	20
Imperial Oil	275	Westcoast	130
Int Nickel	415	Willroy	20

Unlisted Mines and Oils

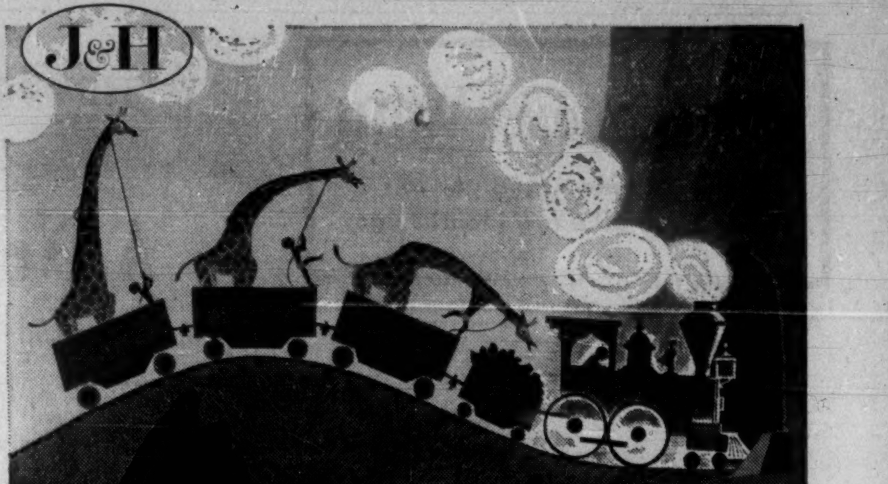
(Compiled from Quotations by G. E. Leslie & Co., Montreal)
July 25, 1960.

Stock	Bid	Of'r	Stock	Bid	Of'r
Aisab	25	45	Lk Chib	—	10
Aconic	45	50	Main Oka	35	45
Aconic vtc	45	50	Martin Bird	3	5
Amal Mng	10	20	Marpic	3	5
Arnora	—	2	Matt ex	10	15
Assce Devp	4	6	Miller Cop	4	6
Atlas Chib	2	4	Natl Mal	40	45
Bald Mtn	3	6	Nipiron	9	12
Blk Hawk	29	32	Nrth Matt	14	18
Brosnan Ch	5	8	Oklend	3	8
Big Nell	15	25	Pascalis	15	20
Bracemac	7	8	Pine Point	9	9¾
Cdn Jave	8¼	8¾	Quedon	—	5
Dauphin	10	15	Quejo	2	4
Franksin	—	30	Rand Mal	2	4
Ghislau	—	55	Saucon	2.65	3.00
Gibson	4	5	Sheraton	—	45
Glencona	½	1	St Jude	1	3
Hastings	40	50	St Helen	—	25
Hull Iron	60	80	Scott Chib	2	4
Independent	5	8	Starlight	1	3
Kenmac	1	3	Valmont	—	11
Lk Sup Irn	15	20	Wm Leys	2	5
Lun Echo	25	30	Yng Dave	12	15

Dividend Changes

EDMONTON CONCRETE BLOCK—Common, 8c plus 8c extra, payable Aug. 1 to holders of record July 25. In 1959, an extra of 4c was paid along with the regular semiannual dividend of 8c on July 31. Recent price: $3.40.

STANDARD RADIO—Common, 20c payable Oct. 11 to holders of record Sept. 21. Total payable or paid to date in 1960, 65c; total paid to same date in 1959, 60c; total paid in 1959, 60c. Recent price: $13⅛.



A Tall Story
about cargo insurance

Giraffe-shaped boxcars are hard to find, even on an East African railroad. But a zoo-bound giraffe in an open freight car stands several feet higher than the next tunnel entrance, and the problem is to get him through in one piece. Solution: Attach a rope to the giraffe's neck. Give the other end of the rope to a native boy, with instructions to pull whenever the engineer toots his whistle. This lowers the giraffe's head, but keeps his morale high.

While Johnson & Higgins can take no credit for this ingenious improvisation, we did solve the many problems involved in insuring this unusual cargo over a land-and-sea journey of several thousand miles from the heart of Africa to an American zoo.

It is a very rare insurance problem that stops J&H—anywhere. We have arranged coverage on trucks through the Khyber Pass to Afghanistan . . . a Cezanne painting to Buenos Aires . . . an automatic post office from Germany . . . fresh citrus fruit to Europe . . . electronic computers to a "destination unknown." Whatever your insurance problem, you can count on the global facilities of J&H—since 1845, the most experienced insurance brokerage firm in the Western Hemisphere.

JOHNSON & HIGGINS

(Canada) Limited
INSURANCE BROKERS—AVERAGE ADJUSTERS
MONTREAL · TORONTO · WINNIPEG · VANCOUVER

New York · Philadelphia · Pittsburgh · Buffalo · Cleveland · Detroit · Chicago · Seattle · San Francisco · Los Angeles · Wilmington · Minneapolis · Atlanta · London · Havana · Rio de Janeiro · São Paulo · Curitiba · Caracas · Maracaibo · Puerto La Cruz · Buenos Aires

Worth Noting

Financing agreements and changes in financing deals, major changes in capital, filing statements are listed as reported by the Toronto and Montreal exchanges, Ontario Securities Commission.

BEAVER LODGE MINES June 22 option on 200,000 shares at 12½c not exercised and agreement terminated.

BIDCOP MINES option on 200,000 shares at 12½c due July 14 has been extended for three months.

BOYMAR GOLD MINES, TSE filing statement, reorganization into Marboy Mines on one-for-five basis, underwriting and option agreement, settlement of [illegible]

CAN-ERIN MINES, balance of 482,500 escrowed shares released.

COPPER PRINCE MINES has acquired 44 claims by staking.

CONSOLIDATED GOLDEN ARROW MINES option due July 8 on 200,000 shares at 35c has not been exercised and agreement has been terminated.

CONSOLIDATED DRAGON OILS has acquired frm M. C. McLeod & Co., for $7,820 and a 2½% overriding royalty, oil and gas exploration rights to three blocks in the Arctic Islands.

CONSOLIDATED MARBENOR MINES has allowed options to lapse on 83 claims in the Setting Lake area of Manitoba and has obtained an extension to April 30, 1961 on the remaining 22 claims.

GOLDFIELDS MINING CORP., option due on July 14 on 100,000 shares at 20c has not been exercised and agreement has been canceled.

GWILLIM LAKE GOLD MINES during the quarter ended June 30 purchased 4,859 shares **Chromium Mining, 1,000 Consolidated Marcus, 26,000 San Antonio**; and sold 17,200 **Cochenour Willans** and 500 **Northern Canada.**

LAKE WASA MINING CORP., TSE filing statement, acquisition of 1,221,539 shares by Barnat; changes in officers and directors.

LAKE CINCH MINES, amending TSE [illegible] of parent, Violamac Mines.

LATIN AMERICAN MINES, amending TSE filing statement, underwriting of 200,000 shares at $1; change in board of directors.

MARCON MINES is not taking up option on eight claims in Bucke and Coleman townships in the Temiskaming area of Ontario.

MARALGO MINES, option lapsed on 43,329 shares at 60c granted to president.

MILE 18 MINES release of 100,620 escrowed shares.

NATIONAL MALARTIC GOLD MINES reports underwriting of 100,000 shares at 25c share.

NEW BIDLAMAQUE GOLD MINES reports option agreement has lapsed following failure to exercise July 13 option on 150,000 shares at 15c.

NORTH TECH EXPLORATIONS, release of 25,000 escrowed shares.

SUDBURY CONTACT MINES reports transactions in **Deer Horn Mines** shares during the quarter ended June 30 as 73,500 purchased for $15,578 and 108,000 sold for $24,179.

VENTURES LTD., option due July 11 on 250,000 shares at $40 has not been exercised by **McIntyre Porcupine Mines.**

VESPAR MINES reports July 8 option on 200,000 shares at 35c and subsequent options under agreement with Denison [illegible]

VIOLAMAC MINES, TSE filing statement reporting change in control to **New Dickenson Mines**; new directors and officers.

WILTSEY-COGHLAN MINES, TSE filing statement, reporting underwriting of 200,000 shares at 15c, options on 800,000 in four blocks of 200,000 at quarterly intervals and at 15c, 20c, 25c, 30c respectively; planned increase in authorized capital to 10 million shares from 6 million.

. . . keeps many wheels turning!

Stelco High Carbon Steel Wire, from which the spokes of bicycle wheels are made, also lends its strength and resilience to many other aspects of today's industrial world. For instance, it is used to bind the armatures of electric motors, and to form springs of all kinds for machinery, furniture, automobiles, and aircraft.

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THE STEEL COMPANY OF CANADA, LIMITED
Executive Offices: Hamilton and Montreal

Sales Offices: Halifax, Saint John, Montreal, Ottawa, Toronto, Hamilton, London, Windsor, Sudbury, Winnipeg, Edmonton, Calgary, Vancouver. J. C. Pratt & Co. Limited, St. John's, Newfoundland.

59461

DIVIDEND NOTICES

BANK OF MONTREAL

FOUNDED 1817

DIVIDEND No. 395

NOTICE is hereby given that a DIVIDEND of FORTY-FIVE CENTS per share upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after THURSDAY, the FIRST day of SEPTEMBER next, to Shareholders of record at the close of business on the 30th day of JULY, 1960.

By Order of the Board.
R. D. MULHOLLAND,
General Manager.

Montreal, 19th July, 1960.

THE ROYAL BANK OF CANADA

Dividend No. 292

Notice is hereby given that a dividend at the rate of **fifty-two and one-half cents (52½¢) per share** upon the outstanding capital stock of this bank has been declared for the current quarter and will be payable at the bank and its branches on and after Thursday, the 1st day of September, 1960, to shareholders of record at the close of business on the 30th day of July, 1960; shares not fully paid for by the 30th day of July, 1960, to rank for the purpose of the said dividend to the extent of the payments made on or before that date on the said shares respectively.

By order of the Board.
W. E. McLAUGHLIN,
General Manager.

Montreal, Que.,
July 12, 1960.

NORANDA MINES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Fifty Cents (50c) per share, Canadian funds, has been declared by the Directors of NORANDA MINES, LIMITED, payable September 15th to Shareholders of record August 19th, 1960.

By Order of the Board.
C. H. WINDELER,
Secretary.

Toronto, Ontario
July 18th, 1960.

AUNOR GOLD MINES LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Four Cents (4c) per share has been declared by the Directors of AUNOR GOLD MINES LIMITED, payable September 1, 1960, to Shareholders of record, August 10, 1960.

By Order of the Board.
C. H. WINDELER,
Secretary.

Toronto, Ontario,
July 20, 1960

KERR-ADDISON GOLD MINES LIMITED

(No Personal Liability)

INTERIM DIVIDEND No. 99

NOTICE IS HEREBY GIVEN that an interim dividend of twenty cents per share has been declared on the issued capital stock of the company, payable in Canadian funds on Thursday, September 22nd, 1960, to shareholders of record at the close of business on Wednesday, August 31st, 1960.

By Order of the Board.
G. A. CAVIN,
Secretary.

Toronto, Ontario,
July 19th, 1960.

WAITE AMULET MINES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Twenty Cents (20c) per share has been declared by the Directors of Waite Amulet Mines, Limited payable September 10, 1960 to Shareholders of record at the close of business August 19, 1960.

By Order of the Board.
C. H. WINDELER,
Secretary.

Toronto, Ontario
July 18th, 1960.

GREAT WEST COAL COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of twelve and one-half (12½) cents per share on the outstanding Class "A" shares has been declared payable August 15, 1960 to shareholders of record at the close of business July 30, 1960.

By Order of the Board.
T. L. MATHIE,
Secretary-Treasurer.

Brandon, Manitoba,
July 18, 1960

ALUMINIUM LIMITED

DIVIDEND NOTICE

On July 20, 1960, a quarterly dividend of 15 cents per share in U.S. currency was declared on the no par value shares of this Company, payable Sept. 5, 1960 to shareholders of record at the close of business Aug. 5, 1960.

JAMES A. DULLEA
Secretary

ALCAN
Montreal
July 20, 1960

Public Service Electric and Gas Company

NEWARK, N. J.

QUARTERLY DIVIDENDS

The Board of Directors has declared the following dividends for the quarter ending September 30, 1960:

Class of Stock	Dividend Per Share
Cumulative Preferred	
4.08% Series	$1.02
4.18% Series	1.045
4.30% Series	1.075
5.05% Series	1.2625
$1.40 Dividend Preference Common	.35
Common	.45

All dividends are payable on or before September 30, 1960 to stockholders of record August 31, 1960.

J. IRVING KIBBE
Secretary

PUBLIC SERVICE
CROSSROADS OF THE EAST

TAYLOR, PEARSON AND CARSON (CANADA) LIMITED

The Directors do hereby declare the 56th Quarterly Dividend at the rate of five per cent (5%) per annum in respect of all preferred shares of the Company issued and outstanding and that such dividends will be paid on August 15th, 1960, to all holders of preferred shares of record on the books of the Company as of July 30th, 1960.

By Order of the Board.
TAYLOR, PEARSON AND CARSON (CANADA) LIMITED
G. C. MONTGOMERY,
Secretary-Treasurer.

Edmonton, Alberta,
July 21, 1960.

THE HAMILTON COTTON COMPANY, LIMITED

Notice is hereby given that the following dividends have been declared.

On the outstanding 5% CUMULATIVE REDEEMABLE PREFERRED SHARES of the Company, $1.25 per share, payable November 15, 1960 to shareholders of record at the close of business November 7, 1960.

On the outstanding COMMON SHARES of the Company, 22½c per share, payable September 1, 1960, to shareholders of record at the close of business August 10, 1960.

By Order of the Board.
E. GLOVER HOWE,
Secretary-Treasurer.

Dated at Hamilton, Ontario,
July 21, 1960

HALLNOR MINES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend of Three Cents (3c) per share has been declared by the Directors of HALLNOR MINES, LIMITED, payable September 1st, 1960, to Shareholders of record at the close of business August 10, 1960.

By Order of the Board.
C. H. WINDELER,
Secretary.

Toronto, Ontario,
July 20, 1960

EDMONTON CONCRETE BLOCK CO. LTD.

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN that the semi-annual dividend of eight cents ($.08) per share together with an extra dividend of eight cents ($.08) per share has been declared on the outstanding common shares of the Company payable on August 1, 1960 to shareholders of record at the close of business on July 25, 1960.

By Order of the Board
P. L. P. MACDONNELL
Secretary.

ASTM AWARD

Peter J. Sereda of National Research Council's division of building research has won the Sam Tour award of the American Society for Testing Materials. Award is given annually "to the author of a technical paper of outstanding merit in the field of improvements and evaluation of corrosion testing methods". Sereda's winning paper described his work on new studies of the influence of atmospheric elements on corrosion at the building research centre in Ottawa.

Dividend Notice

DENISON MINES LIMITED

NOTICE IS HEREBY GIVEN that the following dividends on the shares with a par value of $1 each in the capital of Denison Mines Limited have been declared:

1. A dividend of 50c per share upon the shares outstanding at the close of business on the 29th day of July, 1960, payable on and after the 15th day of August, 1960, to shareholders of record at the close of business on the said 29th day of July, 1960.
2. A dividend of 50c per share upon the shares outstanding at the close of business on the 30th day of November, 1960, payable on and after the 15th day of December, 1960, to shareholders of record at the close of business on the said 30th day of November, 1960.

DATED at Toronto this 19th day of July, 1960.

JOHN C. PUHKY,
Secretary-Treasurer.

Market Bid and Ask Quotations

Montreal & Toronto

July 26, 1960

Stock	Bid	Ask	Stock	Bid	Ask
[illegible]					
Do p	44¼	45	Do p	15	16
Bright	36¼	41	Do 5¼	20¼	20¾
Do p	20¼	25	C West	35¾	38
xBritalt	201	205	xC Will	35	60
BA Oil	25	25¼	xCandor	13¼	14¼
BCE 4 p	75¼	77	xCanEr	75	76
Do 4¼ p	39¾	41	xCapt	6¼	7
Do 4¼ p	43¼	43¼	xCarib	80	85
Do 4¾ p	87¼	87¾	Cass	11¾	11¾
Do 5 p	48	48¼	xCayzr	24	30
Do 5¼ p	52	52¼	xC Del	420	425
BC For	10¼	10¾	xC Pat	90	95
BC P A	15	16	xC Porc	9	10
Do B	15¼	15¼	xChar O	77	81

x—Quoted in cents.

DIVIDEND NOTICES

THE CANADIAN FAIRBANKS-MORSE COMPANY LIMITED

DIVIDEND NOTICE

Number 142

The following dividends were declared for the current quarter, payable September 1st, 1960 to shareholders of record August 12th, 1960.

Class "A" shares—17½c per share
Class "B" shares — 15c per share

By order of the Board.
H. D. WYLIE,
Secretary.

July 25th, 1960.

Simpson's

Dividend Notice

NOTICE is hereby given that a Dividend of seventeen and one-half cents (17½c) per share on the outstanding Common Shares of Simpsons, Limited has been declared payable September 15, 1960 to shareholders of record at the close of business on August 15, 1960.

By order of the Board.
K. W. Kernaghan,
Secretary

Toronto, July 22, 1960.

THE BOWATER CORPORATION OF NORTH AMERICA LIMITED

DIVIDEND NOTICE

NOTICE IS HEREBY GIVEN of the declaration of the following dividends payable October 1st, 1960 to shareholders of record September 9th, 1960.

(1) Dividend No. 18 — Sixty-two and one half cents (62½c) per share on the 5% Cumulative Redeemable Preferred Shares of the Corporation.

(2) Dividend No. 15 — Sixty eight and three quarter cents (68¾c) per share on the 5½% Cumulative Redeemable Preferred Shares of the Corporation.

By Order of the Board,
F. D. BURSEY,
Secretary.

Montreal, Quebec
July 9th, 1960.

Toronto Curb

Stock	Bid	Ask	Stock	Bid	Ask
Andian	6¼	7¾	Du Pont	19¾	20
A C	37¼	38	Do p	77	..
Ang-N	6	6¼	Gaspe	18	19¼
Asbest	22¾	22¾	Hayes	22¼	23
B A B	50	51	I Pap	93¼	93¾
xBulolo	470	485	Lob I n	10	11¼
CD Sug	16	16¼	M Lrn	75	80
C Ving	36	37	MO Pap	28¼	29¼
C Brnze	20	20¼	Ogilv	40	41
Do p	79¾	..	Do p	125¼	144¾
CG Inv	28	28¼	xPend O	240	254
C Ing	39¼	42	Price	38½	38¾
C Marc	440	475	Sngmo	10	12¼
C Pap	38¼	39	xSW P	145	158
xDalh	14	15	Th CG I	6¼	6¼
de Hav	180	240	xYuk C	57	59
D Glass	65¾	67	Zellrs	37	37
Do p	13¾	..	(xToronto		
DOC	30	31	Gold)	33.85	34.15

x—Quoted in cents

Calgary Oils

Quoted in Cents

Stock	Bid	Ask	Stock	Bid	Ask
Albedena	2¼	5	Merland	9	11
Ald-Leduc	1	2	Mill Creek	5	7
Amalta	2¾	3	Mollusca	2	5
Anaconda	..	45	N Richfield	2¼	3¼
Bash Leduc	1	2	N Y Oil	4	7
Blue Cr	20¼	22¼	N Con'tal	½	1
C Fortune	1¾	2¼	Nuco Pet	3¼	5
Castle	11	12	Pamoil	27	..
Claybar U	15	19	R'chmen's	6¼	9
Command	55	85	Ranger	100	..
Com. Min.	8	10	Renfrew	4	6
D L'holds	125	140	R C Vent	11	14
Dom. Min.	½	1	Sage	75	79
Dyn. Pet.	37	41	Sarcee	65	..
E Can Gas	2	5	Sastex	1	3
Edoran	2¼	3	Share	2	4
Gold Sat	3¼	..	Silver City	2¼	3
Gold Spike	4	5	Siscalta	35	55
Ind Chem	..	40	Sturgeon	4¼	5
Kenare Pet	1¼	3	Transfield	1	2
Keno	17	18	Tri-Zone	1	3¼
Leamac	4	5	T Valley	..	20
Leduc Cal	4¼	5	W Warner	4¼	6¼
Merit	36	39			

Canadian Stock Exchange

INDUSTRIAL

Stock	Bid	Ask	Stock	Bid	Ask
Ang-Sc n	8	..	B Pl Min	..	40
Atlas Telef	50	53	Barvallee	4	..
Beld Cort	11¼	12	Bateman	8¼	9
Do p	10	13	Beatrice	3¼	4¼
Belg Sts	7¼	..	Bel'chasse	18	20
Do p	13¼	..	Belle-Chib	3	5¼
Btfly Ho	225	..	Bornite	4¼	5¼
C Floor B	12¼	..	Burnt Hill	11	12¼
C Arena	160	..	Calumet U	3	4
C I Invest	15	19¼	Canalask	3¼	4
Do p	77¼	..	Canuba	2	2¼
Cdn P&P	5	5¼	Carbec M	6	8
C Silk A	25	100	Cartier Q	9¼	10
Catelli A	39¾	..	Cen Man	3	5
C Kodiak	80	87	Chem Min	220	224
C'zano A	..	450	Chess Min	6¼	7
C Div A	26	..	Ch C Corp	8	9
Crain R L	..	18	Chipman	4	4¼
Dalfen's	70	80	Cominga	4¼	5
D. & Fr. A	44¼	48	C Monpas	5¼	10
Dom. Eng.	14¾	14¾	C Q Yell	4	5
E Koot p	116	140	C V Mines	85	90
Feralco I	..	75	Dolsan	5¼	8
Freiman c	35	..	Duvan	9	10¼
Horner A	21	..	Fab Metals	9	10
Hub Flt	9	..	Fano	2	2¼
Do A	..	21	Fontana	2	3¼
I Paints A	..	10	Fdy Bay	5¼	6
Do p	15	..	Gold Age	49	53
Inv Found	37¼	40	Gul-Por U	5	7
Do p	50	57	Haitian	3¼	4
L'bert A	12¼	13¼	Hillcrest	450	525
Do B	13	..	I Ceramic	10¼	15
Latonia I	24	25¼	Iso Uran	43	45
Lochaber	150	..	Kontiki L	5	6
Melchers	..	7¼	Lingside C	10	15
Do p	..	13¼	Lithium	10	15
Mtl Ref A	17	20	Massval	13	15
Do B	18	24	Mid-Chib	17	18
M Ro Dry	6	6¼	Mogador	8	12
M Ro Rice	..	20¾	Monpre	10	13
Mussens	7¼	9	N Formaq	5¼	6
Nfld L&P	45	49	N Jack L	3	4
N W Ind.	..	375	N S'Tiag.	2	2¼
PAC Atl	..	300	N W Amu	15¼	17
Pat Mfg	8¾	..	Nocana	4¼	5
Do p 7%	20	22¼	N A Asb	4	6
Paul S S	6	8	N A Rare	50	54
Po Crp 1st	..	45	Obalski	9	10
Do 2nd	..	24	Opemisca	8	8¼
Prem Steel	8	8¾	Orchan U	109	110
Que-Tel	30¾	31¾	Partridge	5	9
Do warr	10¾	12	Paudash	16¼	20
Do A	20	20¼	Pennbec	10	11
Ruby Foo			Pitt	3¼	4
E'prises	350	355	Por Prime	5	6¼
R&M Brag	14¼	16	Portage	30	32
Renold A	..	16¼	Q Cobalt	325	330
Sangamo	10¾	12¼	Q Smelt	9¼	10
S and S	7	7¼	Rob'val M	23	26
Sobey St A	11	12	Red Crest	2	3
Soca Ltd	..	170	St L Min	525	540
S Can p	116	..	S Dufault	19	20
Tr C Corp	29	30	Std Gold	8	..
Tr C Frzs	5¾	5¾	Tache L	5	8
Un Am A	11¼	..	Tazin	5	6
Do B	11¼	..	Tib Expl	4¼	5
Do vt A	11¼	..	Trebor	2	2¼
U L Corp	..	19¾	Vanguard	16	18
U P Prop	190	200	Virg Min	8	9
[illegible]					
Win Hotel	25	..	Westville	3¼	4
W'dford A	50	..			
Do B	10	..	**OILS**		
Woods Mfg	..	38			
			Bluewater	13	15
MINES—Cents			Bonn'lle	16	20
			Castle	4	5
Alscope	8¼	10¼	Futurity	11	20
Ameranium	2	3	Gaspe	4	5
Anthonian	5	6	Gateway	1¼	4
Arno	5	6	Isr Cont	11	14
Atlas Sulp	4	6	N Spr Coul	2	3
Aug Expl	22	25	Quebec	2	3
Baker Tal	10	11	Titan Pet	12	14
Band-Ore	3¼	4			

Mutual Funds

	Divd. pd. cents▲	Bid	Ask.
All-Can. C. Fd.	15.128(30.563)	6.14	6.67
All-Can. Div. Fd.	12(32)	4.79	5.21
American Growth	7(18)	7.27	7.92
Assoc. Investors	17(33½)	7.49	7.57
Can. Invest. Fund	16(38)	8.17	8.96
Canafund	70(125)	32.99	34.64
Champion Mut. Fund	8(21)	5.13	5.64
C'wealth Inter.	24(29)	7.60	8.35
Corporate Inv.	16(42½)	8.37	9.15
Diversified Inc. B	11.2(10.8)	...	...
Dom. Equity	33(52)	14.25	14.53
Dom. Comp. Fund	16(38)	8.43	8.77
Do. nonres.	16(38)	8.37	8.71
Dominion Funds	16(38)	7.97	8.29
First Oil & Gas		3.11	3.40
Group Accum.		4.90	5.36
Grouped Inc.	10.45(23.7)	3.27	3.57
Growth Oil & Gas		5.97	6.27
Invest. Growth	(10.5)	5.54	5.99
Investors Mutual	26(33)	10.63	11.50
Leverage Fund	10(10)	6.01	6.60
Mut. Acc. F.	12.26(23.87)	6.73	7.36
Mutual Bond		6.16	6.47
Mutual Income	17.87(26.16)	4.39	4.80
North American	12(‡20)	7.81	8.49
Sav. & Int. Mut.	9(18)	4.78	5.22
Sup'vised Amer.	6(12)	6.60	6.67
Sup'vised Executive (1955)		36.14	...
Sup'vised Executive (1956)		29.65	...
Sup'vised Executive (1957)		5.08	...
Sup'vised Executive (1958)		5.37	5.42
Sup'vised Gr'th Fund	(3.5)	1.50	1.52
Sup'vised Inc. Fund	8(17)	3.76	3.80
T.V. Electr's	12♦(95■)	7.65	8.35
Timed Invest.	13(25)	5.25	5.67
Trans-Can. A	55.8(93.2)	23.45	...
Do. B	44(91.1)	24.75	...
Do. C	8.2(18)	4.90	5.40
United Accum. Fund	16(24)	13.41	14.57

‡Including initial.

▲Paid or payable in 1960, total paid in 1959 in parentheses.

■Of which 62½ (U.S.) cap. gains dist. in 1959.

♦Of which 4c (U.S.) was paid following 2-for-1 stk. split.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$23.50	$23.50	$25.50
Hogs	25.87	25.12	24.70
Copper, lb.	.33	.33	.30
Coffee, lb.	.36	.36¼	.36¾
Sugar, raw, lb.	.0615	.0605	.0585
Hides	.11½	.12	.28½
Weekly Commodity Indices			
Dow Jones Fut.▲	144.10	144.60	150.21
U. S. Labor	119.6	■119.7	119.3

Monthly Price Indices

	Latest month	Previous month	Same month last yr.
Retail C.P.I.* (June)	127.6	127.4	125.9
Canada (D.B.S.):			
W'sale (May)	231.3	231.3	231.2
C. F'm Pr.* (May)	220.0	218.3	218.8
U. S. W'sale (Mar.)	120.0	■119.3	119.6
Gr. Br. W'sale♦ (Mar.)	111.9	111.8	111.9

Base of price quotations is as follows: Cattle-Steers, good up to 1,000 lb. to price Toronto. Copper-electrotypes, New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

*Base years 1947-49=100.
▲Base years 1924-26=100.
♦Base year 1954=100.
■Revised.

Profits Here?

A regular listing of latest studies by investment firms.

ALUMINIUM LTD.—Wood, Gundy & Co., 36 King St. W., Toronto.
MOORE CORP.—Royal Securities Corp., 360 Bay St., Toronto.
TRADERS FINANCE CORP.—Wood, Gundy & Co.
NEWFOUNDLAND LIGHT & POWER—Royal Securities Corp.
INVESTORS SYNDICATE OF CANADA — Greenshields & Co., 507 Place D'Armes, Montreal.
B. C. POWER CORP.—Wood, Gundy & Co.
MONTREAL TRUST — Royal Securities Corp.
GATINEAU POWER—Wood, Gundy & Co.
NOVA SCOTIA LIGHT & POWER—Royal Securities Corp.
PEMBINA PIPE LINES LTD.—Jackson, McFadyen Securities Ltd., 11 Adelaide St. W., Toronto.
DOMINION STORES — Merrill Lynch, Pierce, Fenner & Smith, 11 Adelaide St. W., Toronto.
TEXACO CANADA LTD.—Royal Securities Corp., 360 Bay St., Toronto.
FALCONBRIDGE NICKEL — Draper, Dobie & Co., 25 Adelaide St. W., Toronto.
LOAN & TRUST COMPANIES—McDonnell, Adams & Co., 330 Bay St., Toronto.
DOMINION STORES — Royal Securities Corp.
DOMINION FOUNDRIES & STEEL—D. D. Creighton & Co., 233 Notre Dame St. W., Montreal.
PREFERRED AND CLASS A STOCKS—Deacon, Findley, Coyne Ltd., 197 Bay St., Toronto.
NORANDA MINES—Dominion Securities Corp., 50 King St. W., Toronto.

Grain Prices

Winnipeg Futures

Week to July 25, 1960

Crop year from Aug. 1, 1959 High	Low		High for Week	Low for Week	Close July 25
		Oats—			
.85⅞	.71⅞	July	.85¼	.84	.85¼
.80½	.75¼	Oct.	.80¼	.80¼	.80⅞
78⅛	.76⅛	Dec.	.78	.77⅛	.77⅞
78⅞	.77	May	.78⅞	.78¼	.78⅞
		Barley—			
1.01⅛	.95⅞	July	1.00⅞	1.00¼	1.00⅛
1.01	.95⅞	Oct.	.99⅞	.99	.99⅞
1.00	.95⅞	Dec.	.96⅞	.96⅛	.96⅞
.98⅞	.96	May	.98⅞	.97⅞	.98⅛
		Rye—			
1.25⅞	1.01⅞	July	1.05⅞	1.02⅞	1.04⅛
1.14⅛	1.01⅞	Oct.	1.04⅛	1.02¼	1.03⅛
1.13⅛	1.02⅞	Dec.	1.05⅛	1.02⅞	1.04⅛
1.07⅞	1.04	May	1.07⅞	1.07⅛	1.07⅞
		Flax—			
3.90	2.97	July	3.22	3.05⅞	3.15⅛
3.23	2.86	Oct.	3.10	2.99⅛	3.07⅞
3.14⅞	2.80⅛	Dec.	2.98⅛	2.87⅞	2.96⅛
2.99⅛	2.83⅞	May	2.99⅛	2.89⅛	2.98⅛

Winnipeg Cash

	High For Week July 25	Low For Week July 25	High Prev. Week	Low Prev. Week
Oats—				
2 C. W.	.86⅞	.85¼	.86	.81¼
3 C. W.	.82⅞	.81¼	.81	.77¼
Barley—				
1 Feed	.96⅞	.96¼	.96⅛	.96⅞
2 Feed	.95⅞	.95⅞	.95⅞	.95¼
1 Malt	1.05⅞	1.05⅛	1.06⅞	1.05¼
Rye—				
1 C. W.	1.05¼	1.02⅞	1.04⅞	1.03⅛
2 C. W.	1.05¼	1.02⅞	1.04⅞	1.03⅛

Chicago Futures

Week to July 25, 1960

Crop year from Aug. 1, 1959 High	Low		High for Week	Low for Week	Close July 25
		Wheat—			
1.96⅞	1.80	July	1.81¼	1.80	1.80
1.89¼	1.82⅞	Sept.	1.84⅞	1.82⅞	1.83¼
1.94¼	1.89⅛	Dec.	1.90⅞	1.89⅛	1.89⅛
2.06⅞	1.94¼	Mar.	1.95⅞	1.95	1.94⅛
1.96⅞	1.93⅞	May	1.95⅛	1.94¼	1.94⅛
		Corn—			
1.22¼	1.14	July	1.18¼	1.14	1.14
1.20⅞	1.14⅞	Sept.	1.17	1.15⅛	1.16⅞
1.14⅞	1.09⅛	Dec.	1.13⅛	1.11⅞	1.12¼
1.18⅛	1.14¼	Mar.	1.17⅛	1.16	1.16⅞
1.20	1.17⅛	May	1.19⅛	1.18¼	1.18¼
		Oats—			
.74⅛	.63⅞	July	.67⅞	.66⅛	.66⅛
.73⅛	.63⅞	Sept.	.69⅛	.68⅛	.68⅛
.76⅛	.66⅛	Dec.	.72⅞	.71⅛	.71⅛
.77⅞	.73⅛	Mar.	.74⅛	.73⅛	.73⅛
.76⅞	.72¼	May	.73⅛	.72¼	.72¼
		Rye—			
1.34⅞	1.13⅞	July	1.15	1.13⅞	1.13⅞
1.28⅞	1.15⅞	Sept.	1.18⅛	1.15⅞	1.15⅞
1.28⅞	1.20⅛	Dec.	1.22⅛	1.20⅛	1.20⅞
1.29	1.23⅞	Mar.	1.25	1.23⅞	1.23⅞
1.28⅛	1.23⅞	May	1.25⅛	1.23⅞	1.24
		Soybean—			
		July	2.14⅛	2.10⅞	2.14⅛
		Sept.	2.15⅛	2.11⅞	2.13⅞
		Nov.	2.15	2.10⅛	2.13⅛
		Jan.	2.19⅛	2.14⅞	2.17⅛
		Mar.	2.22⅛	2.17⅞	2.20⅞
		May	2.24⅛	2.20⅛	2.23⅛

Chicago Cash

	High For Week July 25	Low For Week July 25	High Prev. Week	Low Prev. Week
Corn—				
2 Yell.	1.21⅛	1.21⅛	1.22¼	1.20
Oats—				
1 H. W.	.71⅛	.71⅛	..	..

Government Bonds

July 26, 1960

(Supplied by Investment Dealers' Assoc. of Canada)

%	Due	Bid	Asked
Govt. of Canada Bonds:			
3	Perpetual ...	67¼	68¼
2¾	June 1967/68.	87¾	88¾
3¾	Jan. 1975/78.	84	85
3¾	Mar. 1996/98.	80¼	81¼
3	Dec. 1960 ...	99¾	100¼
3	May 1961 ...	99¼	99¾
3¼	May 1970 ...	90¼	91¼
3¼	Oct. 1979 ...	79¼	80¼
3	Dec. 1961 ...	98¾	99
3¾	Sept. 1965 ...	95	96
4¼	Sept. 1972 ...	91	92
4¼	Sept. 1983 ...	90¼	91¼
4	Jan. 1963 ...	99¼	99¾
5¼	Oct. 1960 ...	100¾	100¾
5¼	Oct. 1962 ...	103¼	103¾
3¼	June 1974/76.	80¾	81¾
5¼	Apr. 1963 ...	103¾	103¾
5¼	Apr. 1969 ...	101¾	102¾
5¼	Oct. 1975 ...	101	102
Cdn. Nat. Railways:			
3	Jan. 1961/66.	91¾	92¾
2¾	Feb. 1961/63.	96¼	97
2¾	Jan. 1964/67.	89¾	90¾
3¾	Feb. 1972/74.	86	87
4	Feb 1981 ...	84¾	85¾
5¼	Dec. 1964 ...	102¼	103¼
5¼	Jan. 1985 ...	105¼	106¼

%	Due	Bid	Asked
Int. Bank of Reconstruct. & Development			
3¼	Apr. 1965 ...	91¼	93
3¼	June 1969 ...	87¼	89
C'wealth of Australia:			
4	Nov. 1970 ...	85¼	87¼
Prov. Govt. Bonds			
Alberta Tel. Gtd.:			
4¼	July 1976/78.	87	89
British Columbia:			
3	June 1964 ...	92	93¼
Pac. Gt. East. Rly. Gtd.:			
4¾	Dec. 1987 ...	85¼	87¼
Ontario Hydro:			
4¼	Nov. 1964/67.	95	96
5	Apr. 1974/77.	95¾	97
5¼	July 1978/80.	99¼	100¼
5¼	July 1970 ...	99¼	100¼
Quebec:			
5¼	Aug. 1979/81.	99¼	100¼

%	Due	Bid	Asked
New Brunswick:			
4¼	Oct. 1968/71.	91¼	93
5	Oct. 1974/77.	93¾	95¼
Ontario:			
4¼	Dec. 1962/63.	98¼	99¼
3	Nov. 1963/65.	92	93
5	Jan. 1977/79.	95¼	97
5¼	May 1970 ...	101¼	102¼
5¼	May 1978/80.	99¾	100¾
Man. Hydro:			
5	July 1975/77.	93¼	94¼
Manitoba:			
5¼	June 1976/79.	98¼	99¼
Nova Scotia:			
4¾	Dec. 1975/77.	91¾	93
5¼	July 1978/80.	98¼	99¼
Quebec Hydro Commission:			
5¼	June 1979/82.	99¼	100¼
Saskatchewan:			
4¼	Nov. 1974/76.	87¾	89¼
5¼	July 1978/80.	98¼	99¼
Newfoundland:			
4¾	July 1962/64.	95	97
5¼	Feb. 1977/79.	90	92¼

Canadian Auto Production

	Week Ending July 23/60	Same Week 1959	Year To Date 1960	Year To Date 1959	% Change To Date
CARS					
General Motors					
Buick	69	105	6,099	6,007	
Chevrolet	1,347	1,906	58,518	57,045	
Oldsmobile	104	264	7,052	10,765	
Pontiac	1,577	1,123	54,301	45,838	
	3,097	3,398	125,970	119,655	+5
***Ford:**					
Ford	1,452	1,349	38,688	35,902	
Mercury	32	115	3,137	4,392	
Meteor	1,044	781	19,991	22,909	
Monarch	66	73	3,266	3,559	
	2,594	2,318	65,082	69,364	−5
Chrysler:					
Chrysler	...	...	3,351	4,431	
Desoto	...	...	1,904	820	
Dodge	...	...	13,878	14,825	
Plymouth	...	...	12,338	11,650	
	...	...	31,471	31,726	—1
Studebaker-Packard:					
Studebaker	160	225	3,612	5,212	
Total cars	5,851	5,942	226,135	224,957	+1
TRUCKS					
General Motors	514	839	25,453	23,478	
Ford	565	465	12,880	11,462	
Chrysler	...	...	3,731	4,678	
International	242	305	7,339	8,957	
Total trucks	1,321	1,609	49,403	48,575	+2
Total cars, trucks:	7,172	7,551	275,538	273,532	+1

*Includes Edsel production, 1959 model year.

Source: Canadian Automobile Chamber of Commerce.

Gold Bars Quoted

Rate Reported by Doherty, Roadhouse & Co., Toronto.

Canadian kilo bars of gold approximately 32 oz. each.

July 26, 1960

	Bid	Asked
	—per oz.—	
Latest week	$33.85	$34.15
Previous week	$33.95	$34.25

Bond Tenders

12 Noon, July 28, 1960, Government of Canada Treasury Bills—Payable Oct. 28, 1960 and Jan. 27, 1961, $120,000,000. Dated July 29, 1960.

Foreign Exchange Rates

Noon Value in Canada

Week Ended July 26, 1960

	U. S. $	U. K. £
Wed.	.97 19/32	2.74 4/16
Thurs.	.97 25/32	2.74 11/16
Fri.	.97 18/32	2.74
Mon.	.97 17/32	2.74
Tues.	.97 13/32	2.73 8/16
Ave.	.97 92/160	2.74 7/80

U. S. rate reported by Bank of Canada.

U. K. bid rate reported by Toronto-Dominion Bank.

K. A. POWELL (CANADA) LTD.
GRAIN SHIPPERS AND EXPORTERS
GRAIN FUTURES
Owners and Operators
Fort William Terminal Elevator Co. Ltd.
and Powell Transports Ltd.
Head Office—563 Grain Exchange, Winnipeg, Man.
Affiliated Companies—Fort William, Ont., Montreal, Que., Vancouver, B.C.

N. M. PATERSON & SONS LIMITED
FORT WILLIAM WINNIPEG MONTREAL
GRAIN DIVISION
Grain and Coal Merchants
Country and Terminal Elevators
STEAMSHIP DIVISION
Carriers of All Bulk Cargoes

THE WEEK'S QUOTATIONS

Quotations here listed are the official, exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 23

Montreal and Toronto Winnipeg, Calgary and Vancouver

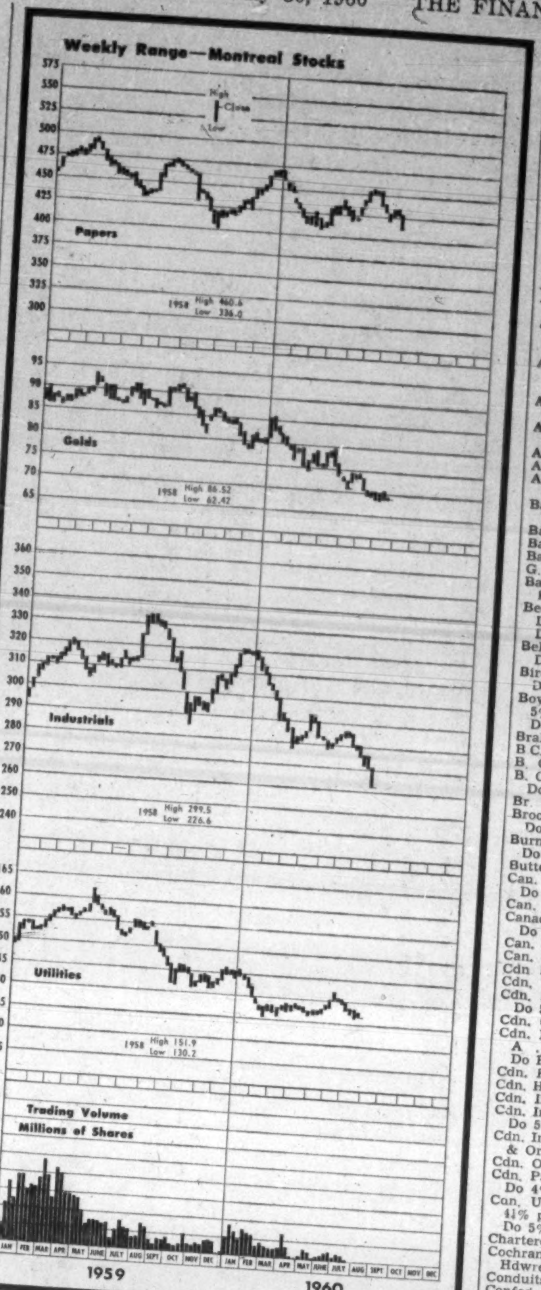
Industrial Stocks

WEEK ENDING JULY 22, 1960

Range 1960 High	Low	Div. R'te $	Y'ld Jly22 %	Company	Sales	Last July 15	Week end. July 22 High	Low	Close or Latest
41¾	35	1.70	4.4	Abitibi	9141	40	40	38⅛	38⅛
25	21¾	1.12½	4.6	Do. 4½% Pref.	1711	24½	24½	24	24¼
11	9¼	.60	5.7	Acadia Atlan.	1040	10	10½	10¼	10½
88	85	5.00	5.7	Do. 5% pref.	175	87½	88	88	88
19½	17¾	1.20	6.3	Do. A	373	19¼	19¼	18¾	19
..	..			Admiral	nil	..	B15¼	A15⅝	17¾
21	17½	.70	3.9	Agnew Surp.	510	17½	18	†17	18
..	..	..	..	Alaska Y. Pipe	nil	..	..	A2.00	2.50
.75	.70	..	..	Alaska Refin.	nil	..	..	..	.75
6½	6	..	..	Do. pref.	nil	..	..	A5	6½
2.90	2.00	..	..	Albt. Dist.	7600	2.30	2.30	2.05	2.05
2.50	1.75	..	..	Do. V.T.	14500	2.25	1.90	1.80	1.80
1.20	.72	..	..	Do. S. Pur. W.	3000	.87	.85	.80	.80
28½	16½	..	..	Albt. Gas. Tr.	3250	18⅜	18½	18	18
2.95	3.50	..	..	Do. A Warr.	5654	4.10	4.15	4.05	4.10
103⅝	100	6.25	6.1	Do. 6¼% A pf.	582	103¼	103½	102⅞	103½
19¾	16¼	1.00	6.0	Algoma Cent.	200	16¼	16½	16¼	16½
60	52½	3.00	5.3	Do. 6% pref.	50	53	54⅞	54½	54¾
6.10	4.20	..	..	Do. warr.	132	4.75	4.70	4.70	4.70
40½	30¼	*.60	..	Algoma Steel	10405	32½	32¼	30¼	30⅜
8¼	7	*.15	..	Algonquin	400	8¼	8¼	8¼	8¼
18½	18⅛	1.30	7.1	Do. pref.	nil	..	B18¼	A19½	18¼
2.50	2.25	..	..	Do. sh. pur. w.	nil	..	B2.10	..	2.25
33⅞	28	▲.60	..	Aluminium	23874	28¼	29	28	28
22	19½	1.00	4.8	Alum. of Can. 1st P.	435	21¾	21½	20¾	20¾
46¼	40	2.25	4.9	Do. 2nd Pfd.	3118	46	†47	45½	45⅝
12.50	4.00	..	..	Analogue	1000	4.85	4.75	4.00	4.00
4.00	2.00	..	..	Do. Warr.	100	2.25	2.00	2.00	2.00
7⅛	6⅛	*▲.20	..	Andian Nat.	15	7	7	7	7
28	28	.50+*.25		Anglo Can. Oils (Brandon)	nil	..	B27	A32	28
42	35	2.00	5.4	Ang. Cdn. Pulp	40	37½	37½	37¼	37¼
52	49	2.30	5.4	Do. Pfd.	90	52	52	51½	52
42	37	2.25	5.8	Ang. Can. Tel P.	90	38	39	38½	39
50½	47½	2.90	5.9	Do. $2.90 Pref.	85	49½	49	49	49
8	6	*.17½+.10		Ang. Nfld.	4850	6¼	6½	6	6⅛
†8	†8	*.25	..	Angl-Scand. Invest.	nil	..	..	A8	†8
38	27½	*.72	..	Anthes. Imp.	105	30	30	28	28
..	..	*.014+■		Do. (B)	nil	..	..	A32¾	..
92	85	5.50	6.1	Do. 5½% P. B.	75	90	90	90	90

Range 1960 High	Low	Div. R'te $	Y'ld Jly22 %	Company	Sales	Last July 15	Week end. July 22 High	Low	Close or Latest
45½	35⅝	1.00	2.8	Cdn. Westinghouse	1657	36¼	36¼	35⅝	35⅝
1.20	1.00	..	..	Canarama	nil	..	B1.00	A1.20	1.20
..	..	..	..	Do. Pref.	nil	..	B2.25	A2.75	2.50
..	..	..	..	Do. Warr.	nil	..	..	..	.50
1.40	1.40	..	..	Cantexas A	nil	..	B1.20	A1.35	1.40
10½	9	▲.52	..	Capital Estates	nil	..	B9½	..	9¼
1.00	.85	..	..	Carling Br. Alta.	nil	..	B.45	A.90	.90
1.00	1.00	..	..	Do. V.T.	nil	..	..	..	1.00
12¾	12	.60+*.30		J. B. Carter A	nil	..	B12½	..	12½
55	47⅛	*2.00		Do. (B)	nil	..	B45	..	47¼
40	38	.50+*.30		Catelli Food A	2	40	39¾	39¾	39¾
63⅛	60½	2.00	3.4	Chart Trust	5	61	†59½	†59½	†59½
24	22⅛	1.00	4.4	Chateau-Gai	nil	..	B22⅝	A23	22⅝
58	44½	▲1.00	..	Chrysler Corp.	100	49	45	45	45
3.00	3.00	*1s	..	Cinzano A	nil	..	..	A4.50	3.00
1.65	1.65	5½%	..	Do. 5½% Pref.	nil	..	..	..	1.65

Div. R'te $	Y'ld Jly22 %	Company	Sales	Last July 15	Week end. July 22 High	Low	Close or Latest
2.40	2.9	Imperial Life	20	83	83	83	83
1.20	3.9	Imperial Oil	14290	31¼	31⅜	30⅞	31⅛
.50+*.17½		Imperial Tob.	8897	11⅜	11⅞	11⅜	11½
6%	3.8	Do. 6% Pref.	1550	5⅞	6	5⅞	6
*.85		Indust. Accept.	4386	38⅜	39¼	37⅞	39
2.25	2.5	Do. 4½% Pfd.	nil	..	B89	A95	89
4.50	10.2	Do. 4½% Pf. $2.25P.	50	44	44	44	44
2.75	5.3	Do. 5½% Pref.	nil	..	B52⅞	..	51¾
..	..	Do. Warr.	1330	13½	14½	13⅜	14
.50	9.1	Ingersoll Mach. A	250	5⅛	5⅝	5½	5½
..	..	Inglis John	1150	4.25	4.15	4.00	4.15
..	..	Ingram & Bell	nil	..	B8	..	10
.60	4.8	Do. Pref.	nil	..	B12	..	12½
$.60	..	Inland Cem. Pf.	397	17⅛	17¾	16½	17¾
..	..	Inland Chem.	nil	..	..	A1.40	1.40
..	..	Inland Nat. Gas.	2860	4.75	4.85	4.25	4.25
1.00	7.0	Do. Pref.	100	14½	14¼	14¼	14¼
..	..	Do. Warr.	300	1.40	1.30	1.20	1.20
*.06	..	Interior Brew. B	nil	..	B3.50	A4.00	3.50
.70	5.4	Inter. Bronze	nil	..	B12½	A15	13
1.50	6.9	Do. Pref.	nil	..	B22½	A22⅝	21¾
*‡1.37½		Inter Nickel	18941	55½	55⅝	51½	51½
1.20	7.1	Inter Paints A	nil				



Where there have been no transactions during the week covered, the word "nil" is shown under sales and the quotations shown are the bid, ask, and last sale price, instead of high, low, and close

(Continued on page 23)

Dividends Declared

	This payment $	Date payable	*Date of record
Acadia At. Sugar	.15	Oct. 3	Sep. 10
Do 5% pf	1.25	Sep. 15	Aug. 20
Do A	.30	Oct. 3	Sep. 10
Agnew-Surpass	.17	Sep. 1	Jul. 29
Alta-Gas Trunk Line pf.	●1.328	Aug. 15	Jul. 18
Alg. Cent & Hudson Bay Rlwy	.25	Sep. 1	Aug. 15
Do 6% pf	.75	Sep. 1	Aug. 15
Aluminium	†.15	Sep. 5	Aug. 5
Aluminum 4% pf	.25	Sep. 1	Aug. 5
Do 4½% pf	.56	Aug. 31	Aug. 5
Anglo-Cdn. Tel. A	.30	Sep. 1	Aug. 10
Do $2.90 pf	.73	Aug. 1	Jul. 8
Do 4½% pf	.56¼	Aug. 1	Jul. 8
Anthes Imp 5½% 1st pf. A	1.37½	Aug. 1	Jul. 18
Do 5½% 1st pf. B	1.37½	Aug. 1	Jul. 18
Argus Corp.	.25	Sep. 1	Jul. 20
Do $2.50 pf	.62½	Aug. 1	Jul. 20
Atlantic Accept. 5½% 1st pf	.83	Sep. 9	Aug. 31
Atlas Steel	.25	Aug. 1	Jul. 4
Aunor Gold	.04	Sep. 1	Aug. 10
Avalon Tel. 5½% pf	.34	Jul. 31	Jul. 2
Do 5½% pf. '58 ser.	.34	Jul. 31	Jul. 2
Bailey Selb. 5% pf	.31¼	Sep. 1	Aug. 15
Do 5¾% pf	.36	Sep. 1	Aug. 15
Bank of Montreal	.45	Sep. 1	Jul. 30
Bank of N. S.	.55	Aug. 1	Jun. 30
Banque Can. Nat.	.40	Sep. 1	Jul. 29
G. E. Barbour A	.15	Aug. 1	Jul. 15
Bathurst Pwr. & Pap. A	.50	Sep. 1	Aug. 4
Beaver Lumber	.25	Oct. 1	Sep. 10
Do A	.25	Oct. 1	Sep. 10
Do pf	.35	Oct. 1	Sep. 10
Beld.-Cort.	.15	Aug. 1	Jun. 30
Do 7% pf	.17½	Aug. 1	Jun. 30
Bird Construct.	.60	Sep. 30	Sep. 15
Do	.60	Dec. 31	Dec. 15
Bowater Corp. 5% pf	.62½	Oct. 1	Sep. 9
Do 5½% pf	.68¾	Oct. 1	Sep. 9
Bralorne-Pioneer M.	.10	Jul. 29	Jul. 8
B.C. Forest Prod.	.12½	Aug. 1	Jul. 8
B. C. Sugar	.25	Jul. 30	Jul. 15
B. C. Tel. 6% pf	1.50	Aug. 1	Jul. 15
Do 4⅜% pf	1.09	Aug. 1	Jul. 15
Br. Mtge. & Tr.	‡1.00	Oct. 5	Sep. 16
Brookfield Ice Crm	.15	Aug. 1	Aug. 1
Do 5½% pf	.55	Aug. 1	Aug. 1
Burns & Co.	.20	Jul. 29	Jul. 8
Do	.20	Oct. 29	Oct. 7
Butterfly Hose pf	3.50	Jul. 30	Jun. 30
Can. Cement	.25	Aug. 31	Jul. 29
Do pf	.32½	Sep. 20	Aug. 19
Can. & Dom. Sug.	.15	Sep. 1	Aug. 10
Canada Foils	.15	Aug. 15	Jul. 29
Do A pf	.15	Aug. 15	Jul. 29
Can. So. Rlwy.	†1.50	Aug. 1	Jul. 15
Can. Vinegars	.30	Sep. 1	Aug. 15
Cdn. Bk. of Com.	.45	Aug. 1	Jun. 30
Cdn. Brew.	.40	Oct. 1	Aug. 31
Cdn. Bronze	.37½	Aug. 1	Jul. 11
Do 5% pf	1.25	Aug. 1	Jul. 11
Cdn. Canners A	.18¾	Oct. 1	Sep. 1

(Continued on page 23)

Mining Stocks

WEEK ENDED JULY 22, 1960

Bid and Ask quotes of Toronto and Montreal exchanges up to press time are published on page 23

▲U. S. funds. ▲▲Initial. †Less than board lot. ♦When shown nil the figures are bid, asked and latest sale. *Paid or declared in 1960 §Paid in 1959. ‡Extra paid in 1959, shown for record purposes only, does not necessarily apply to 1960 dividend rate or payments. •After partial assets distribution. ††Dividend action deferred. §Paid or declared after stock split. ■Stock dividend.

How Our Banks Fare

CONDITION OF CHARTERED BANKS IN CANADA

ASSETS

Immediately Available Liquid Assets
(In Thousands of Dollars)

	May 31 1960	April 1960	Change	May 31 1959	Change
Canadian coin	24,323	24,403	—80	21,278	+3,045
Gold & coin abroad	1,476	1,392	+84	1,431	+45
Bk. of Can. notes & dep.	947,867	905,420	+42,447	935,344	+12,523
Foreign currency	48,490	42,890	+5,600	43,894	+4,596
Dep. oth. bks. in Can. curr.	5,752	3,888	+1,864	2,735	+3,017
Foreign banks	466,136	414,869	+51,567	357,280	+109,186
Cheques, oth. items in tr.	736,419	739,510	—3,091	966,734	—230,315
Govt. of Can. treas. bills	1,009,702	937,389	+72,313	922,033	+87,669
Government Securities:					
Dom. short-term	598,909	599,395	—486	706,262	—107,353
Dom. long-term	1,341,596	1,330,454	+11,342	1,532,404	—190,808
Provincial	350,706	349,794	+912	402,070	—51,364
Municipal secs.	198,988	196,276	+2,712	211,796	—12,808
Other secs.	505,708	501,386	+4,322	542,569	—36,861
Secs. oth. than Canadian	632,321	575,153	+57,168	495,464	+136,857
Mortgages	982,936	982,750	+186	846,183	+136,753
Can. call & short loans	259,256	208,069	+51,187	183,433	+75,823
Call & short loans abroad in nonCdn. currency	979,578	938,461	+41,117	697,308	+282,270
Provincial loans	22,973	11,495	+11,478	39,089	—16,116
Municipal loans	247,874	292,315	—44,441	283,770	—35,896
Current loans	5,719,436	5,688,814	+30,622	5,541,302	+178,134
Other loans abroad in non-Canadian currency*	836,010	827,071	+8,939	758,517	+77,493
Noncurrent loans	1,403	1,421	—18	1,394	+9
Premises	216,086	213,626	+2,460	188,869	+27,217
Loans to corporations	44,501	44,238	+263	50,066	—5,565
Letters of credit	220,462	241,735	—21,273	214,755	+5,707
Other assets	6,953	6,642	+311	8,355	—1,402
Total assets	16,405,861	16,078,856	+327,005	15,954,335	+451,526

LIABILITIES

	May 31 1960	April 1960	Change	May 31 1959	Change
Canadian currency:					
Dep. by Fed. Govt.	445,292	309,195	+136,097	430,813	+14,479
Dep. by Prov. Govt.	159,523	168,443	—8,920	156,899	+2,624
Dep. by other banks	135,601	132,224	+3,377	112,400	+23,201
Foreign currency:					
Dep. by other banks	857,034	816,867	+40,167	678,493	+178,541
Personal savings	7,099,184	7,139,992	—40,808	7,140,598	—41,414
Notice deposits	524,231	535,157	—10,926	605,429	—81,198
Demand deposits	3,894,785	3,776,823	+117,962	4,004,420	—109,635
Oth. deposits in for. curr.	2,048,877	1,936,755	+112,122	1,687,721	+361,156
Adv. from Bk. of Can.	......	......		......	......
Letters of credit	220,462	241,736	—21,274	214,755	+5,707
Other liabilities	69,181	70,880	—1,699	48,767	+20,414
Capital paid-up	258,722	258,503	+219	243,153	+15,569
Rest accounts	682,814	682,126	+688	625,845	+56,969
Undivided profits	10,155	10,155	......	5,042	+5,113
Total liabilities	16,405,861	16,078,856	+327,005	15,954,335	+451,526

Company Reports

Hydro

BRITISH COLUMBIA POWER COMMISSION, Victoria, B.C., sustained a net loss of $218,930 in year ended March 31, 1960. This was the first loss in the commission's 15-year history.

Commission's annual report says that deficit was largely due to increased carrying charges on capital assets constructed over the past two years. The new additions have not yet been reflected significantly in earnings.

Revenue for the year increased 11.4% to $19.1 million from $17.1 million a year earlier. Unbilled revenue which amounted to $111,000 last year, is not included.

Revenue per kilowatt hour equaled 2.43c, unchanged from the previous year.

Commission was serving 84,304 customers at fiscal year-end, up from 79,861 at the end of the previous year. Energy demand rose 7%.

Average annual residential consumption increased by 8% to 4,200 kwh.

Strathcona and Ash River developments and Georgia gas turbine generating station on Vancouver Island were all completed during the year.

In the central interior, two units added to the Prince George gas diesel generating station increased total plant capacity to 18,000 kw. A transmission line was built to Vanderhoof and Fort St. James, retiring two small diesel operations in those areas.

Two units were added to the Dawson Creek station and one each to Quesnel and Albert Bay.

A transformer station was built at Crofton and additions made at three stations in Nanaimo.

Preliminary survey has been made for second possible hydro development in the Clearwater River area at Flourmill Creek. First site under study is at Pyramid Mountain.

Study has also been made of system connections in the southern and central interior as well as of new power sources. Work is continuing on the Ucona, Kokish and Homathko Rivers.

Broadcasting

STANDARD RADIO LTD., Toronto, net profit of $202,420 for year ended March 31, 1960, was 18.3% higher than previous year's net of $171,124.

Chairman J. A. McDougald and President W. C. Thornton Cran report that earnings were maintained despite increased costs and extraordinary expenses incurred in preparation and submission of television applicaton.

Radio station CFRB submitted an application to the Board of Broadcast Governors for a license for a second television station in Toronto. The application was not accepted.

Company's AM, FM and shortwave stations were on the air approximately 7,850 hours during the year.

INCOME ACCOUNT

Years Ended Mar. 31:	1960	1959
Total earnings	$206,486	$179,747
Less: Expenses	6,824	6,323
Income tax	*2,758	2,300
Net profit	202,420	171,124
Less: Divds.	129,000	129,000
Surplus for year	73,420	42,124

*Recovery.

Earnings per Share and Dividend Record:		
Common	$0.94	$0.80
Paid	0.60	0.60
Shares o/s as at March 31:		
Common, n.p.v.	215,000	215,000

CONDENSED BALANCE SHEET

As at Mar. 31:	1960	1959
Cash	$330,968	$263,181
Accts. rec.	7,169	2,013
Total curr. assets	338,137	265,194
Invest. in subs.	170,305	170,305
Fixed assets♦	21	25
Total assets	508,463	435,524
Accts., etc., pay.	33,071	33,048
Income taxes pay.	......	504
Capital distrib.	111	111
Total curr. liab.	33,182	33,663
Capital stock	320,305	320,305
Surplus	154,976	81,556
♦After depr. of	620	615
Working capital	304,955	231,531

Food

DAVID & FRERE LTEE., Montreal, net profit of $254,774 for year ended March 31, 1960 was 11.6% lower than previous year's net of $288,335.

President and Managing Director L. R. Philie reports an increase in volume over the preceding year. Higher operating costs resulted in lower earnings.

Installation of new equipment has been authorized. Mr. Philie reports that this should result in substantial savings.

Years Ended Mar. 31:	1960	1959
Net earnings	$771,231	$804,786
Less: Depr.	237,660	241,352
All interest	97,188	103,687
Prov. for taxes	181,609	171,412
Net profit	254,774	288,335
Less: Cl. A divds.	61,893	61,893
Cl. B divds.	161,000	161,000
Surplus for year	31,881	65,442
Earnings per Share and Dividend Record		
Class A‡	$12.35	$13.98
Class A■	3.00	3.00
Paid	3.00	3.00
Class B†	8.39	9.85
Paid	7.00	7.00

‡Before (†after) taking participating feature into account.

■Maximum available under participation.

Shares o/s at as Mar. 31:		
Class A, n.p.v.	20,631	20,631
Class B, n.p.v.	23,000	23,000

CONDENSED BALANCE SHEET

As at Mar. 31:	1960	1959
Cash	$210,776	$89,573
Accts. rec., less res.	734,929	751,456
Investments■	59,520	59,520
Inventories	424,959	451,659
Prep. exp.	126,032	103,401
Total curr. assets	1,556,216	1,455,609
Mtge. rec.	154,500	159,000
Fixed assets*	3,717,948	3,732,381
Total assets	5,428,664	5,346,990
Total curr. liab.	639,031	535,264
Long-term debt	1,850,000	1,900,000
Capital stock	322,929	322,929
Surplus	2,616,704	2,588,797
*After depr. of	1,879,897	1,723,530
■Market value	47,140	49,460
Working capital	917,185	920,345

Dividends Declared

(CONTINUED FROM PAGE 24)

	This payment $	Date payable	*Date of record
Nor. Que. Pwr.	.40	Oct. 25	Sep. 30
Do 5½% pf	.69	Sep. 15	Aug. 25
Do 3-6% pf	1.50	Sep. 15	Aug. 25
North-West Tel. pf	.12½	Aug. 1	Jul. 15
Northwestern Util. pf.	1.00	Aug. 1	Jul. 15
Ogilvie Flour Mills 7% pf	1.75	Sep. 1	Aug. 1
Ont. Steel Prod.	25	Aug. 15	Jul. 15
Do 7% pf	1.75	Aug. 15	Jul. 15
Overland Express pf.	.15	Jul. 30	Jul. 15
Pac. At. Cdn. Inv.	.03	Sep. 1	Aug. 15
Parmenter-Townsend pf.	.75	Jul. 29	Jul. 15
Paton Mfg.	.20	Sep. 15	Aug. 31
Do 7% pf.	.35	Sep. 15	Aug. 31
Penmans Ltd.	.45	Aug. 15	Jul. 18
Do 6% pf	1.50	Aug. 2	Jul. 4
People's Cred. Jew.	.15	Aug. 15	Jul. 30
Price Bros. com.	.50	Aug. 1	Jun. 30
Provincial Bk.	.30	Aug. 1	Jul. 15
Provincial Trans.	.25	Sep. 30	Sep. 12
Do 5% pf	.62	Oct. 1	Sep. 12
Que. Pwr	.40	Aug. 25	Jul. 15
Quemont Min.	.20	Sep. 30	Sep. 2
Quinte Milk A	.15	Aug. 2	Jul. 22
Reitman's (Can.)	.10+‡.05	Aug. 1	Jul. 15
Do A	.10+‡.05	Aug. 1	Jul. 15
Renolds Chains A	.27+‡.05	Oct. 1	Sep. 15
Reynolds Alum. pf	1.19	Aug. 1	Jul. 1
Rolland Pap. A	.25	Sep. 1	Aug. 15
Do B	.15	Sep. 1	Aug. 15
Do 4¼% pf	1.06¼	Sep. 15	Sep. 1
Royal Bk.	.52½	Sep. 1	Jul. 30
Royal Oak Dairy A	.15	Aug. 15	Jul. 30
Royal Trust	.35	Aug. 1	Jul. 20
S.K.D. Mfg. Co. 6% pf	.15	Sep. 1	Aug. 15
Do 6¼% 2nd pf	.31¼	Sep. 1	Aug. 15
St. Lawrence Cred pf.	.15	Oct. 15	Sep. 30
Do	15	Jan 15	Dec 31
Do B	.15	Aug. 1	Jul. 15
Do A	.15	Aug 1	Jul 15
Do	15	Nov 1	Oct 15
Salada-Shirriff-Hor.	.06	Sep. 15	Aug. 25
Sav's & Invest.	.04½	Aug. 15	Aug. 1
Scarfe & Co A	.20	Aug 1	Jul. 15
Shaw W. & P	.20	Aug 25	Jul. 14
Do A	33⅓	Aug 15	Jul. 19
Do 4% ser. A pf	.50	Oct. 2	Sep. 2
Do 4½% ser. B pf	56¼	Oct. 2	Sep. 2
Sheep Creek M	05	Aug. 15	Jul. 15
Sheraton Corp of Am	†.15+2% stk.	Aug. 1	Jul. 1
Sher Wms. Ord.	.45	Aug 1	Jul. 1
Sherbrooke Tr.	2.50	Aug. 1	Jul. 15
Shop & Save Ltd	**stk div	Aug 15	Aug. 1
Sidney Roof. A	22½	Aug 1	Jul. 15
Silverwood Dair. A	15	Oct. 1	Aug. 31
Do B	15	Oct. 1	Aug. 31
F. S. Simms 5% pf	25	Aug. 1	Jul 15
H. Simon & Sons pf	1.25	Sep. 1	Aug. 26
Simpsons Ltd.	.17½	Sep. 15	Aug. 15
N. Slater	30	Aug 2	Jul 8
Southam Co.	.20	Sep. 28	Sep. 14
So. Can. Pwr	32½	Aug. 15	Jul. 20
Stand. Fuel pf	56¼	Aug 2	Jul. 15
Stanley Brock A	15	Aug. 1	Jul. 11
Do B	10	Aug 1	Jul. 11
Steel Co of Can	60	Aug. 1	Jul. 4
Steinberg's 5¼% pf	33	Aug. 15	Jul. 25
Tay. Pear. & Car. 5% pf	.12½	Aug. 15	Jul. 30
Texaco Can Ltd	.40	Aug. 31	Jul. 30
Thompson Pap. Box	.04	Sep. 1	Aug. 22
Tor.-Dom. Bank	47½	Aug. 2	Jun. 30
Trans Can. Corp. Fd.	.25	Oct. 1	Sep. 15
Do	.25	Jan. 4	Dec. 15
Union Accept. 6¼% 1st pf	.78¼	Aug. 1	Jul. 15
Union Gas	.10	Aug 1	Jul. 8
Un. Corp. A	.38	Aug. 15	Jul. 30
Do B	.15	Aug. 15	Jul. 30
Do 5% pf.	38	Aug. 15	Jul. 30
Un. Cdn. Shs	30+‡.10	Aug. 2	Jul. 15
Un. Fuel Inv. 6% pf	.75	Oct. 1	Sep. 9
Un. Grain Grow 5% A pf.	1.00	Sep. 1	Jul. 30
Un Towns Elec. pf.	.13	Jul. 30	Jul. 1
Univ. Controls Inc.	†.07½	Jul. 30	Jul. 15
Vandry Inc. A	.10	Sep. 30	Sep 15
Do	10	Dec 31	Dec 15
Ventures Ltd.	.25	Aug. 31	Aug. 15
Volcano Ltd. A	.32½	Aug. 1	Jul. 15
Waite Amulet	.20	Sep. 10	Aug. 19
West. Can. Brew.	.30	Sep. 1	Aug. 1
Westminster Pap.	.17½	Jul. 29	Jul. 8
Willson Stat	2.00	Oct. 1	Sep. 15
G. H. Wood 5½% pf	1.37½	Sep. 1	Aug. 15
Zeller's Ltd.	35	Aug. 1	Jul. 2
Do pf	56¼	Aug. 1	Jul. 2

†—U.S. funds. ‡Extra

*—The ex-dividend date is usually at least two full business days prior to the record date

**—5% subject to ratification of shhldrs

■■—Tax pd. stk. divd. of 6 red. pf. shs. (.05 par) Cash portion subject to income tax.

■Initial.

**—First foll. pub. distrib. of stk.

§—Initial for per. June 24 to Aug. 15/60.

Industrial Stocks

(CONTINUED FROM PAGE 24)

Range 1960 High	Low	Div. R'te $	Y'ld Jly22 %	Company	♦ Sales	Last July 15	Week end. July 22 High	Low	Close or Latest
6.00	3.45	..	..	Watermans Pen	3262	4.50	4.50	4.25	4.45
6.00	4.10	§.10	..	Waterous Eqpt.	nil	..	B4.50	A4.25	4.50
3.50	2.50	..	..	Webb & Knapp	4262	2.80	2.80	2.60	2.75
..	..	*4.00	..	Wellington Fire.	nil	..	..	..	70
..	..	..	..	Wesley Mason Pf.	nil	..	..	..	†1.00
17⅜	12	.80	6.3	Westeel	480	12⅝	13	12⅝	12⅝
32½	32½	1.20	3.7	West. Can. Brew	25	32½	32½	32½	32½
8	6⅛	.30	4.4	West. Can. Steel	200	6⅜	6¾	6¾	6¾
3.60	2.55	..	..	West Copper	125	2.60	2.95	2.60	2.60
1.35	.56	..	..	Do. Warr.	440	.56	.60	†.50	†.50
35	32	2.00	5.8	West Grocers A	50	35	35	34½	34½
26	24⅞	1.40	5.6	Do. Pref.	nil	..	B27	..	25
130	130	7.00	6.1	West Koot. Pref.	nil	..	B126	..	†115
16¼	11¼	.70+‡.10		West Plywood B	719	12½	12½	11¾	12
38¼	32	.70+*.10		Westminster P.	300	32¼	33	32½	33
35¼	29	.70	2.0	Weston G. A	4884	34½	35	34¼	34¼
37	28½	.70	1.9	Do. (B)	1333	35⅜	37	36	36¼
90	82	4.50	5.0	Do. 4½% Pref.	10	90	90	90	90
16⅛	10			Do. Warr.	2425	13½	14¼	13½	13¾
106	100	6.00	5.7	Do. 6% Pref.	30	106	106	105	105
33	25⅞	2.80	10.8	White Hard Pfd.	nil	..	B23	A26	25⅞
7½	6	*.10	..	White Pass Yukon	1800	6¼	6¼	6⅛	6¼
..	..	*2.00	..	Willson Stat.	nil	..	B42	..	43¾
†99	†99	5.00	5.1	Do. Pref.	nil	..	B99	..	†99
†28	†25	§■	..	Windsor Hotel	25	†28	†25	†25	†25
590	525	..	..	Wpg. Win. Club	nil	..	..	..	570
5.00	4.25	.30	6.7	Wood Alex	200	4.50	4.50	4.50	4.50
†94	†92⅞	5.50	5.9	Wood, G.H. 5½%Pf.	nil	..	B92⅞	..	†94
29	24½	1.60	6.5	Wood J. A	190	24¾	24¾	24½	24½
85	82	4.50	5.5	Do. Pref.	40	82¼	82¼	82¼	82¼
..	..	..	..	Woodford A	nil	..	B.50	..	.50
..	..	..	..	Do. (B)	nil	..	B.10	..	.10
37	35	*■	..	Woods Mfg.	nil	..	..	A38	35
19⅞	14¾	.40	2.6	Woodward A	505	15	15⅜	15	15⅛
8.25	4.75	..	..	Do. Warr.	425	5.50	5.80	5.50	5.75
†8½	†7	.60	8.6	Wool Combing	nil	..	B8	A9½	†7
2.75	1.00	..	..	York Knitting A	100	1.50	1.35	1.35	1.35
.27	.15	..	..	Do. (B)	nil	..	B.17	A.50	.27
37	31½	*1.00	..	Zellers	420	37	37	36½	36⅞
45	41½	2.25	5.2	Do. 4½% Pref.	nil	..	B45	A46½	45
3.00	2.50	.16	6.3	Zenith	2065	2.35	2.55	2.50	2.55

▲U. S. funds ▲▲Participating divd ††Dividend action deferred ■Stock divd ♦♦Initial †Less than board lot ♦Note: When sales show nil the figures are bid, ask and latest sale ‡Extra paid in 1959, shown for record purposes only does not necessarily apply to 1960 dividend rate of payments ■■On arrears ♦Paid on arrears ††Paid or declared after stock split. §Paid in 1959. *Paid or declared in 1960. ‡‡Includes participating dividend. ♦♦On redemption.

New Highs & Lows

In the week ended July 23, 31 new highs and 59 new lows were recorded by general stocks listed on Canadian stock exchanges. In the mining group there were nine new highs and 40 new lows. Western oils had one new high, 22 new lows.

GENERAL

NEW HIGHS—1960

Alum. of Can. 2nd pf.
Atlan. Accept.
Bathurst Pr. 'B'
Bowater Mer. P.
B.C. Elec. 4½% pf.
Do. 5½% pf.
Calgary Pwr.
Can. Cement pref.
C. Celanese $1.75 pf.
Cold Lake Pipe
Consumers Gas
Do. B 5½% pref.
Gt. Lakes Pwr. pfd.
Gt. Nth. Gas $2.80 p.
Howard Smith pref.
Loblaw Gr. 'A' 1st pf.
Loblaw Comp. 'A'
Do. 'B'
Do. pref.
Maple L. M. 5% pfd.
Morgan, H. 4¾% pf.
Northland Util.
Reynolds-Alum. pf.
Rolland Pap. pref.
St. Law. Corp. 5% 'A' pf.
Shawinigan 4% pf. A
Traders Fin. 4½% pf.
Do. 5% pf.
Un. Accept. 1st pf.
Utd. Corp. 5% pf.
Weston, G. 'B'

NEW LOWS—1960

Ang. Nfld.
Atlas Steels
Auto Fabric 'B'
B.C. Turf
Bruck Mills 'B'
Can. Bread 'B' pfd.
Can. Cement
Cdn. Br. Alum. 'A'
Cdn. Curtiss W.
Cdn. Fairbanks 'B'
Cdn. Marconi
Cdn. Petrofina pfd.
Cdn. Westinghouse
Cons. Div. Sec. 'A' pf.
Crain R. L.
Crush. Int.
Dalfen's Ltd.
Dom. Bridge
Dom. Glass
Dom. Oilcloth
Dom. Tar & Ch.
Du Pont of Can.
Dupuis Freres 'A'
Fittings 'A'
Ford Motor (U.S.)
Fraser Cos.
Fruehauf Tr.
Goodyear Tires
Gt. Lakes Pwr.
Gt. West Saddlery
Howard Smith
Inglis, John
Int. Paper
Invest. Foundation pf.
Laforge Cem.
Laur. Accept. 'A'
Levy Ind. 'A' pf.
Locana Min.
MacMil., Blo & P. R.
McCabe Grain
Monarch Knit.
Do. pfd.
Niag. W. Weav. 'B'
North. Ont. N. Gas
Page-Hersey
Price Bros.
Quebec Nat. Gas
Do. units
A. V. Roe
Southam
Steel of Can.
Sup. Propane warr.
Switson Ind.
Thorncliffe
Traders Fin. warr. '55
Trans-Mt. Oil
Viau new
Viceroy Mfg. 'B'
Wood J. 'A'

MINING

NEW HIGHS—1960

Bankeno
Cdn. Tungsten
Denison
Hoyle
New Athona
New Kelore
New Imperial
Que. Met.
Silbak Prem.

NEW LOWS—1960

Ameranium
Anacon
Area
Assoc. A'cadia
Belcher
Cdn. Northwest
Canorama
Canuba
Cochenour
Cont. Potash
D'Aragon
Fatima
Inspiration
Iron Bay
Kilembe Cop. warr.
Kirkland Minerals
Lake Wasa
Manitou-Barvue
Matachewan
Mattagami
McWatters
Moneta
Monpre
Nickel Rim
Obaska
Partridge
Pato Cons.
Portage
Que. Lithium
Que. Met.
Rexspar
Silbak Premier
Stanrock Ur.
Steep Rock
Sturgeon
Sunburst
Territory
Vanguard
Waite Amulet
Weedon Min.

OILS

NEW HIGHS—1960

Parker Drill.

NEW LOWS—1960

Bailey-Sel. 'A'
Cdn. High Crest
Cdn. Husky
Do. warr.
Cdn. Superior
Central Del Rio
Cons. Dragon
Cons. West Pete
Gridoil
Long Pt. Gas
Nat. Pet.
New Davies
New York
Nuco
Palliser
Petrol
Rocky Pete.
Sapphire
Stanwell
Submarine
Triad
West. Naco

Company Meetings

Date	Company	Place
Jul. 28	Anchor Petroleums Ltd.	Toronto
Jul. 28	B.C. Packers Ltd.	Vancouver
Jul. 28	Cdn Collieries Res.	Vancouver
Jul. 29	Asamera Oil Corp.	Calgary
Jul. 29	Creative Telefilms	Toronto
Jul. 29	Lawson & Jones Ltd.	London, Ont.
Jul. 29	Orenada Mines	Montreal
Aug. 2	Calvert Gas & Oils	Calgary
Aug. 2	Stanleigh Uran. M.	Toronto
Aug. 3	Chibougamau Jaculet M.	Toronto
Aug. 3	Preston East Dome	Toronto
Aug. 4	Copper Rand Chib. M.	Montreal
Aug. 4	Portage Island Chib. M.	Montreal
Aug. 12	Weedon Mining	Montreal
Sep. 19	Sheraton Corp. of Am.	Boston, Mass.
Sep. 24	Quebec Copper	Montreal

Profits Lower For Campbell, Sigma Mines

Lower profits are reported by two members of the **Dome Mines** group of gold producers.

● **Campbell Red Lake**, the Red Lake, Ont., area producer had an estimated net profit of $789,-429 (20c a share) in the first half of 1960, down from $845,-099 (21c) in same period last year.

Recovery per ton was up at $21.90 from $21.47 but operating costs were higher at $10.72 a ton, as against $9.24. Operating costs include $144,695 of shaft sinking expenditures, up from $75,000 charged last year.

	First Half 1960	First Half 1959
Tons milled	127,684	128,728
Gold oz.	81,732	81,552
Bullion	$2,796,178	$2,763,449
Other income	91,944	60,797
Operating costs (incl. shaft sinking)	1,368,649	1,189,811
Depreciation	190,747	211,786
Amortized expenses	nil	32,493
Mining tax	90,000	100,000
Outside exploration	46,797	10,057
Income taxes	402,500	435,000
Est. net profit	$789,429	$845,099
Per share	20c	21c

● **Sigma Mines (Quebec)**, the Bourlamaque-area producer, had net profit down at $81,623 in the first half (8c share) from $164,733 (16c) in the first half of 1959.

	First Half 1960	First Half 1959
Tons milled	219,574	210,123
Gold oz.	39,161	38,961
Bullion	$1,329,875	$1,326,577
Cost-aid	88,200	114,000
Other income	18,623	25,925
Operating costs	1,266,878	1,226,812
Depreciation	72,500	60,000
Quebec tax	2,400	4,800
Outside exploration	13,390	10,157
Est. net profit	$81,623	$164,733
Per share	8c	16c

Black Bay Cut Out, Vanadium High

Black Bay Uranium, a small Beaverlodge area shipper to the **Eldorado Mining & Refining** mill has too much vanadium in its uranium ore.

Eldorado is cancelling its agreement to take Black Bay ore because vanadium content in the concentrate runs as high as 5%. The limit set for vanadium by Eldorado is 1%.

L. D. Sullivan, Black Bay president, says engineers are studying the vanadium content for commercial possibilities.

Meanwhile, Eldorado will take the remaining 3,000 tons of broken ore on the Black Bay property.

ANNOUNCEMENT

GENERAL MILLS APPOINTMENT

A. M. AYMONG

Mr. P. L. Parker, General Manager, General Mills Cereals Ltd., announces the appointment of A. M. (Mike) Aymong as Advertising Manager of General Mills' Canadian operation.

Mr. Aymong brings to his new position a broad background of experience within the company's sales, advertising and marketing departments. He joined General Mills in June, 1954, as a salesman and, in 1956, transferred to the company's head office in Minneapolis. Upon his return to Toronto, Mr. Aymong served as Assistant to the General Sales Manager and, latterly, has been Product Group Supervisor, Advertising.

ANNOUNCEMENT

CANADIAN CAMDEX ELECTION

JAMES F. RILEY, JR.

James F. Riley, Jr., vice-president of the Henry Phipps Estate, has been elected a director of Willard International Financial Co., Ltd., and of its wholly owned subsidiary Canadian Camdex Ltd., of Toronto, it is announced by Charles W. B. Wardell, Jr., president of Willard. The Willard Company specializes in short-term overseas investments.

Camdex was formed jointly by Willard and the Canadian national realty investment firm of Tankoos Yarmon, Ltd. S. Joseph Tankoos, Jr., and Elliot N. Yarmon, chairman and president of Tankoos Yarmon, are directors of Camdex.

Mr. Riley is also vice-president and director of Bessemer Trust Company of New Jersey, vice-president and director of Edificaciones Petroleras of Venezuela, president and director of Peachtree Corporation of Georgia and a director of Whitehouse Department Stores in San Francisco.

Taking Stock

What's going on in the mining and oil markets — the facts and rumors.

By FRANK KAPLAN

A SLIDE IN STOCK prices on Wall Street has carried leading Canadian metal issues downward. The bulk of the mining stock list continued irregular as pressure centred on issues which normally attract a large U. S. following.

Even leading golds were weaker although the pattern usually is a switch into golds as base metals sag.

The Toronto Stock Exchange base metal index, a popular indicator, settled into new low ground for the year. As measured by this index, metal share prices are down about 15% from their peaks of the year.

Here's how some leaders have been trading.

	Latest Price $	Week's Low $	End June $	1960 High $	1960 Low $
Cons. Mining	17¾	17¼	18	20	17
Intl. Nickel	50¾	50¾	55¼	56¼	45⅜
Hollinger	21½	21½	22¼	29¾	21½
McIntyre	21⅝	21	23⅝	30½	21
Noranda	37½	36½	36¾	48¾	36
Ventures	22⅞	22½	23½	28	21¾
Hudson Bay	44	43½	43⅜	51¾	43

* * *

A few issues stand out against the trend. **Hoyle Mining**, a member of the Ventures group, moves into new high ground when it hits $4.35. It later slips back to $4, still up from $3.65. **Quebec Metallurgical**, believed another candidate for the Ventures merger program, also sells at the year's high of 74c. QMI backs down to 70c, still up from 61c recently.

Denison attracts attention on the basis of its mid-year earnings' report and a projected cash flow of well over $15 a share over the life of its contract. This uranium stock bounces to $10½ from $8.80 then drops back to $9.90.

A little of the Denison buying interest spills over into **Rio Algom**—the other major uranium producer at Elliot Lake. Rio briefly adds 15c at $6.60 then slips to $6.50.

* * *

Two other uraniums are still the centre of considerable confusion. With efforts under way in Ontario courts to block sale of **Stanrock**, the infrequently traded shares firm to 20c from around 13c. **Stanleigh's** future might be settled at the Aug. 2 meeting. Bondholders adjourned to Aug. 15 pending decision of shareholders. If the market is any judge of events, it looks like the take-over by **Preston East Dome** might go through. Stanleigh shares climb to the 50c price offered by Preston from a recent 38c bottom.

Canada Tungsten brightens to $1.72 from $1.56 but some of the principal participants in this venture barely move. **Area** at 65c is down from 72c and **Leitch Gold** at $1.35, compares with $1.33.

Murray Mining climbs to 74c from around the 55c level where it dropped during a shareholder dispute. Murray doubles reserves on its Ungava asbestos find and there is talk of a quiet settlement to the argument that upset the stock after it had climbed from 35c to 80c.

* * *

Agnico Mines plans to acquire **Christopher Silver Mines** on the basis of one Agnico for every five Christopher. This would require issuing 23,877 Agnico shares. Agnico has been getting much of its production from this property in the Temiskaming area. Agnico shares at 66c show little change. They traded as high as 78c this year and as low as 60c. Christopher is on the over-the-counter market at about 15c. The deal has to be approved by Christopher shareholders. Christopher is controlled by Agnico.

Langis Silver is a bright spot as it climbs to 69c from 45c. **Silver Miller**, with property also in the Cobalt area, firms to 33c from a recent 25c level. **Candore**, a penny issue which recently aquired a Cobalt interest, spurts to 16c from 11c, then settles at 13½c.

ON THE OIL AND GAS FRONT—prices drop further into the lowest ground in nine years. Two major reasons for the continuing slide:

Gas exports to the U. S. western markets still up-in-the-air and looking as if the U. S. decision will have to wait at least until the fall.

Alberta crude oil nominations drop 13% in August from last year, emphasizing the glutted markets for crude.

One unusual sidelight is the discovery of lead-zinc-silver showings on Little Cornwallis Island in the Arctic for **Bankeno Mines** by a crew doing work on oil possibilities. Bankeno flips to 34c from 24c then slips back to 30½c. The company is looking at extensive acreage under a deal with Talent Oil, one of the early birds in the Arctic Islands play.

Noranda Gold Profit Score 2 Up, 1 Down in Half-Year

Despite a lower price received for gold, two of the gold-producing members of the **Noranda Mines** group were able to chalk up higher profits in the first half of 1960.

Pamour Porcupine lifted profits 48% as a result mainly of increased tonnage and better grade ore. But the bulk of a 35% improvement in **Aunor Gold Mines** reflected a $75,000 profit on sale of investments.

Hallnor Mines profit dropped 36% as ore grade dropped to about average of ore reserves.

Here are their semi-annual reports issued by John R. Bradfield, president of the three as well as of the parent.

PAMOUR PORCUPINE MINES net of $181,300 (3.6c share) is up from $122,400 (2.5c) in the first half of 1959. Recovery per ton rose to $3.35 from $3.15 with about 32% of ore originating in the west end of mine averaging $4.21 a ton.

If the dollar had been at par with U.S. currency, revenue from gold would have been increased by $40,000, Mr. Bradfield notes. Mint price received averaged $33.76 oz., down from $33.80.

	First Half 1960	First Half 1959
Tons milled	324,550	313,980
Gold output	$1,086,700	$990,000
Invest. income	$105,900	$61,100
Cost aid assistance	139,400	217,000
Costs	1,176,700	1,129,500
Depreciation	22,100	15,000
Taxes	2,100	1,200
Est. profit	181,300	122,400
Per share	4c	3c

AUNOR GOLD MINES profit rose to $288,800 (14.4c of which 3.8c was from sale of investments) from $214,400 in the first half of 1959. Mint price received averaged $33.78, compared with $33.81. Recovery per ton was $11.17, down from $11.47.

If the Canadian dollar had been at par with U.S., gold revenue would have been increased by $55,000, Bradfield comments.

Neighboring Delnite is extending its 3,250 ft. level into Aunor ground.

	First Half 1960	First Half 1959
Tons milled	134,131	133,872
Gold output	$1,498,600	$1,535,400
Invest. income	107,000	29,900
Cost aid assistance	148,200	110,000
Costs	1,365,400	1,339,800
Depreciation	34,900	36,500
Def. mine development	33,600	40,200
Taxes	21,100	43,400
Est. net profit	288,800	214,400
Per share	14c	11c

HALLNOR MINES estimated profit of $143,100 (7c share) is off from $223,200 (11c) with ore grade about 0.34 oz., compared with 0.43 oz. in the first half of 1959. Recovery was $11.19 per ton, off from $14.25.

Drifting is under way on the new 3,726 ft. level to explore values indicated by drilling.

Mint price received averaged $33.79 oz., down from $33.81 and a par dollar would have meant $25,000 more for Hallnor.

	First Half 1960	First Half 1959
Tons milled	60,157	59,499
Gold output	$673,100	$848,000
Invest. income	66,100	70,800
Profit sale invest.	......	8,000
Cost aid assistance	42,300	......
Costs	621,300	619,500
Depreciation	4,800	4,800
Taxes	12,300	79,300
Est. net profit	143,100	223,200
Per share	7c	11c

DOME PRODUCTION

In June, **Dome Mines** turned out gold bullion worth $510,232. A total of 59,500 tons of ore was milled with recovery averaging $8.58 per ton. In June, 1959, output totaled $481,699.

FIRST HALF

Geco Net Jumps 40%, Star of Mining Corp.

Geco Mines, the big Manitouwadge area copper-zinc producer, was the bright spot in generally higher earnings for the **Mining Corp. of Canada** group of base metal mines in the first half of 1960.

Geco's increase in net was 40% from the same period last year. **Quemont Mining** and **Normetal Mining** lifted profits by 3%.

Parent holding company — Mining Corp. — has been active in exploration in northeastern Ontario, northwestern Quebec and New Brunswick, President Norman C. Urquhart reports.

Drilling is being done on one group of claims and five prospecting parties together with geological and geophysical crews are in the field.

GECO MINES net profits jumped 40% to $3,155,000 from $2,259,000 in the first half of 1959. The company retired the balance of the loan from Mining Corp. during June. Norman C. Urquhart, president, notes that Geco is exempt from federal income tax until Sept. 30, 1960. Capital expenditures during the first half totaled $430,-700.

Estimated net profit in the first quarter was $1,577,700 (53c share).

	First Half 1960	First Half 1959
Tons milled	666,730	633,733
Writeoff	$970,000	$910,800
Est. net profit	$3,155,000	$2,259,000
Per share	$1.05	$75c

QUEMONT MINING CORP. net in the first half of 1960 rose slightly to $1,041,000, up 3% from $1,007,800 in the same period last year. Profit in the first quarter was $559,100, ahead from $469,800 in the first three months of 1959.

	First Half 1960	First Half 1959
Tons milled	428,240	422,842
Writeoff	$221,000	$278,400
Est. net profit	$1,041,000	$1,007,800
Per Share	49½	48c

NORMETAL MINING CORP., net profit rose 3% to $826,000 from $805,000. In the first quarter, net profit of $382,700 was down from $421,000.

	First Half 1960	First Half 1959
Tons milled	188,575	187,429
Writeoff	$96,000	$55,000
Est. net profit	$826,000	$805,000
Per share	22c	21.4c

ARCHITECT AWARD

The Royal Architectural Institute of Canada College of Fellows has awarded a $2,500 scholarship to Jean Garreau of Montreal. Mr. Garreau, an honors graduate in 1957 from Ecole des Beaux Arts, will use the award to finance a study of public housing in Western Europe.

Faraday Net Jumps 67% In 1st Half

Faraday Uranium Mines net profit increased 67% to $1,066,-000 (24c a share) in the first half of 1960 from a estimated $637,000 (14c) in the same period last year.

Net in the second quarter at $484,000 is down slightly from a profit of $582,000 in the first three months of the year.

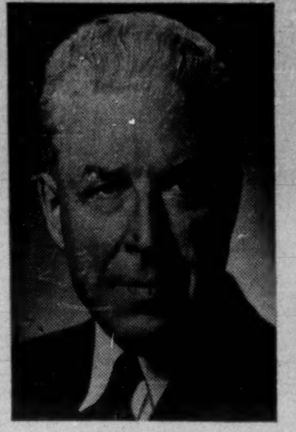
A. W. Johnston, president, comments that the slight reduction is due to a planned decrease in tonnage treated under the government's stretch-out policy.

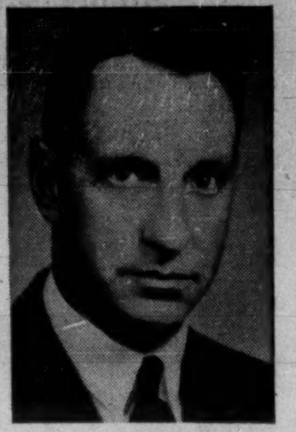
"The greater efficiency of operations at the reduced rate is resulting in a greater profit per pound of uranium oxide produced, and thus a greater overall profit over the life of the Eldorado contract," Johnston says.

At **Nickel Mining & Smelting** where Faraday has financed $375,000 of exploration and development work, the internal winze from 1,250 ft. to 1,650 ft. is complete and crosscutting is under way.

	First Half 1960 $	First Half 1959 $
Gross revenue	4,971,000	4,650,000
Operating costs	2,309,000	2,530,000
Interest, Ont. tax	220,000	229,000
Depreciation	879,000	795,000
Amort. preproduction deferred development	474,000	415,000
Amort. debent. discount	23,000	44,000
Net profit	$1,066,000	$637,000
Per share	24c	14½c

ANNOUNCEMENT





T. F. RAHILLY　　H. J. LANG

Mr. T. F. Rahilly, Chairman and President of Canada Iron Foundries, Limited, announces that at a meeting of the Board of Directors, held in Montreal, Mr. H. J. Lang was elected President of the Company. His appointment is to take effect as of September 1st, 1960. Mr. Lang was formerly President of National Steel Car Corporation Limited, from which he has just recently resigned.

McIntyre Net Down 16%

With value of production down 6% and operating costs up 4% net income of **McIntyre Porcupine Mines** slipped 16% in the first half of 1960 at $954,921 (41c a share) from $1,136,640 (49c) in the same period last year. Earnings per share are based on 2,300,182 shares outstanding (2,299,482 in 1959).

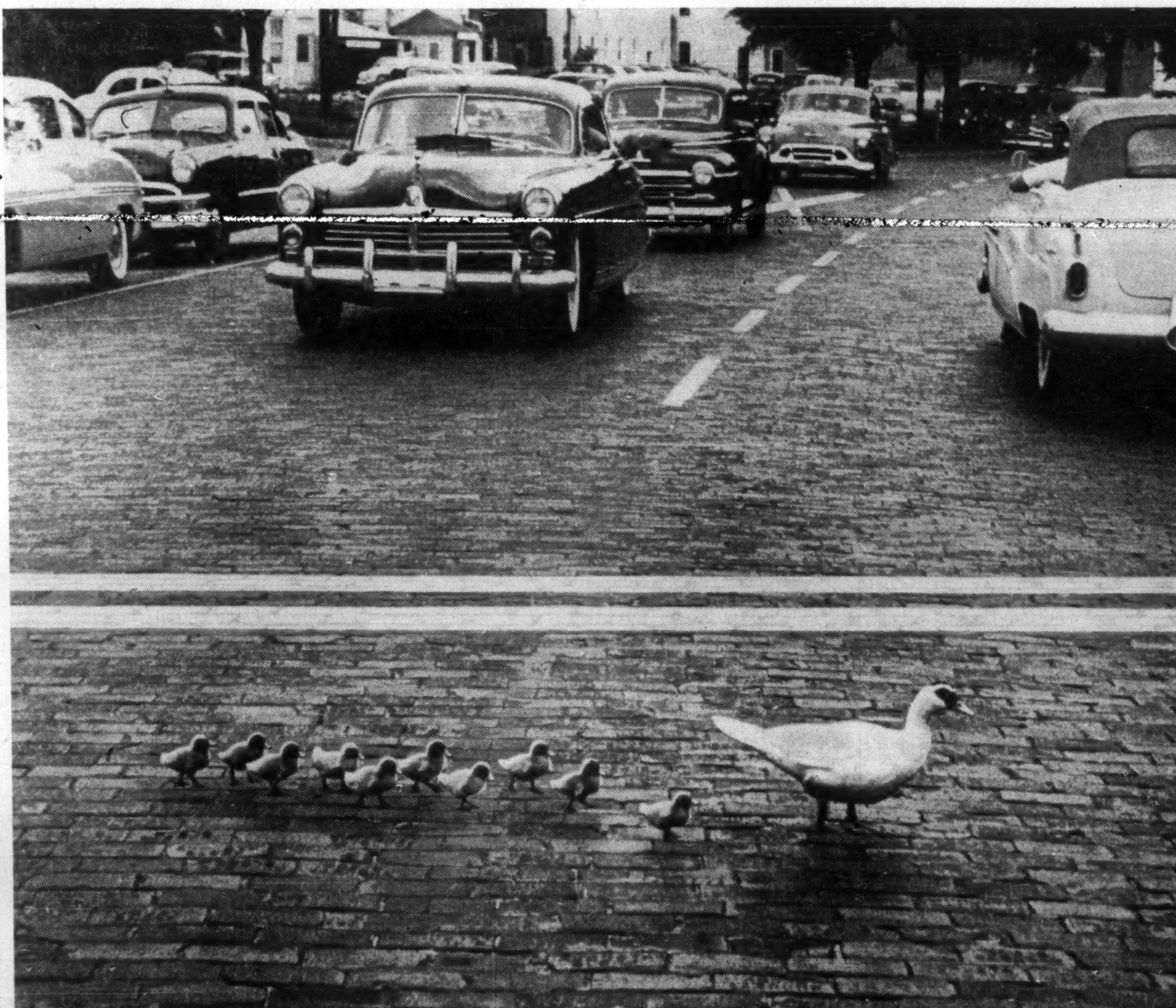
In the first quarter, McIntyre reported a net of $506,156, off from $527,338 in the first 1959 quarter.

	First Half 1960 $	First Half 1959 $
Production	4,061,579	4,314,171
Cost-aid	486,750	418,822
Investment income	1,109,093	1,041,892
Operating costs	4,466,026	4,313,138
Outside exploration	221,552	228,802
Income taxes	14,923	96,305
Net income	$954,921	$1,136,640
Per share	41c	49c

FILTER AND HOSE

Dominion Rubber Co., Montreal, has two new products: A disc filter with a plastic sector that is said to offer an advantage in durability and longer bag life over the traditional wooden sectors, and a chemical engine fire hose designed for working pressures up to 800 psi.

Shell shares a mother's concern about traffic safety



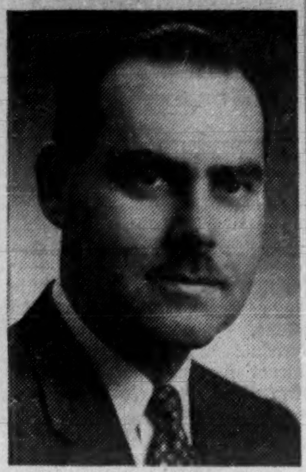
To recognize and reward the achievements of the thousands of Canadian mothers who have joined together to fight traffic accidents, Shell has established the Carol Lane Awards for Traffic Safety. The Awards, which are administered by the Canadian Highway Safety Council, are given annually to the three women's groups which have carried out the year's most successful traffic safety programmes.

This is one of the many projects in which Shell participates, in a continuing effort to arouse the active interest of all citizens in the acute and growing problem of traffic safety.

SHELL OIL COMPANY OF CANADA, LIMITED

ANNOUNCEMENT

LIBBY, McNEILL & LIBBY DIRECTOR OF MARKETING



LOGAN R. BROWN

T. V. Proctor, President and Managing Director, Libby, McNeill & Libby of Canada Limited, announces the appointment of Logan R. Brown as Director of Marketing of the Company. Mr. Brown has a broad experience in the field of marketing and was most recently Marketing Manager of a division of Lever Brothers Limited. Particularly active in the American Marketing Association, Mr. Brown is a Past President of the Toronto Chapter and immediate Past National Director. A native of London, Ontario, Mr. Brown is a graduate of the School of Business, University of Western Ontario.

ANNOUNCEMENT

ARGOSY-HANOVER-DALLEY APPOINTMENT

G. M. PARKE

John J. Richardson, President, announces the appointment of George M. Parke as General Sales Manager of Argosy Carriers Limited; Hanover Transport Limited, which conducts extensive truck transport operations throughout Southern and Eastern Ontario; and Wm. Dalley Cartage Limited, which specializes in heavy machinery hauling throughout Ontario.

Mr. Parke has an extensive background in the truck transportation industry. He is a Past President and an honorary Life Director of the Canadian Trucking Association.

GIANT NICKEL

Giant Nickel Mines had an operating profit of $338,500 in the four months ended June 30, the company reports. Net smelter returns were $782,782 from 90,808 tons milled with average millheads at 1.08% nickel and 0.345% copper. Mill recovery was 76.7% nickel and 92.3% copper. Shipments of concentrates from Vancouver to Japan are expected to run at 2,000 tons monthly starting in September.

Canada's Iron Mines

Company & Location	Participants	Shipments 1959 (000's long tons)
Algoma Ore Properties, Jamestown, Ont.	Algoma Steel	1,935
Canadian Charleson, Atikokan, Ont.	Charleson Iron (U. S.)	179
Empire Development, Vancouver Island	Mannix Ltd.; Quatsino Copper-Gold Mines	360
Hualpai Enterprises, Vancouver Island	Can. Collieries	25
Hilton Mines, Bristol, Que.	Steel Co. Canada; Jones & Laughlin; Pickands Mather	584
Iron Ore Co. Canada	M. A. Hanna; Hollinger; Armco Steel; Bethlehem Steel; Hanna Coal & Iron; National Steel; Republic; Wheeling; Youngstown Sheet	13,059
Lowphos Ore, Capreol, Ont.	National Steel; M. A. Hanna	173
Marmoraton Mining, Marmora, Ont.	Bethlehem Steel	351
Nimpkish Iron, Vancouver Island	Intl. Iron Mines; Standard Slag	7
Steep Rock Iron, Atikokan, Ont.	Premium Iron Ores; Cleveland Cliffs; others	2,746
Texada Mines, Texada Island, B.C.	Private	377
Wabana Mines, Bell Island, Nfld.	Dominion Steel & Coal Corp.	2,095
Caland Ore, Atikokan, Ont.	Inland Steel	*

*New producer, 1960.

Look for U.S. Drive to Slow Iron Imports

There are signs that small U. S. producers and labor unions may band together to try to restrict iron ore imports. The situation is much like that in the U. S. oil industry.

From Our Own Correspondent

WASHINGTON—Long-range trouble may be brewing in the U. S. for Canada's iron ore industry.

There are signs of a desire by the many small U. S. iron ore producers and the labor unions representing iron ore workers to band together in their battles to restrict imports.

The U. S. is the major market for Canada's iron ore exports and any narrowing of this market would be a blow to the Canadian economy.

The situation is similar to what has developed in the oil industry in the U. S.

The big U. S. steel companies, like the big oil firms, have vast foreign holdings, and they own much of the iron ore operations in Canada.

These large companies have seldom been in the forefront of those demanding more protection, whether it be for oil or iron ore.

But the small companies and the unions have been the ones that cause trouble.

The smaller oil firms, banded together in the Independent Petroleum Association of America, have given no end of misery to the Canadian oil industry.

They succeeded in convincing Washington that import quotas were needed and it took extremely heavy pressure by Ottawa to get a special Canadian exemption from these U. S. oil import quotas.

Now, some informed observers here are seeing the same formula beginning to develop among the small U. S. iron ore companies and the unions representing their workers.

The unions are especially influential and together with the small companies, have been successful in persuading the Senate Finance Committee to order another Tariff Commission investigation into iron ore imports.

And with this success under their belts, they can be expected to try for bigger game by putting heavy protectionist pressure on the next Administration.

There is no evidence yet of an organization being set up similar to the one representing the smaller oil producers, but this may come in the future.

There are about 350 iron ore mines in the U. S. Forty of these produce more than one million long tons of crude ore and 44 others produce between one half million and one million tons each.

The rest produce less than half a million tons each, or about 20% of total U. S. production.

To The Shareholders Of
FROBISHER LIMITED

It is expected that certificates for shares of Ventures Limited which have been received on the recent merger will be mailed to shareholders of Frobisher Limited of record on July 29, 1960. Each holder of shares of Frobisher Limited is requested to register his shares in his own name by July 29, 1960. Any shareholder who has changed his address is requested to inform National Trust Company, Limited, 20 King Street East, Toronto 1, Canada, of his proper mailing address, if he has not already done so.

A. C. CALLOW,
Secretary.

THE BEST PROTECTION FOR THE STOCKS YOU OWN?

Why not take out a little insurance . . . say a "policy" on the investment well being of your entire portfolio? And here's the sort of insurance that a world-wide group of investors, traders and speculators have grown to depend upon over the years:

THIS WEEK, for instance—an unexpected *flash memo* in the mail from our Research Department: precise instructions regarding specific stocks in view of the sharp reaction in New York and Toronto.

PERSONAL ATTENTION whenever Forecaster readers wish to phone, wire, write or visit our Research Department about securities they own or contemplate purchasing. This, incidentally, includes professional comment on entire portfolios at any time—whether to buy more, sell or continue holding such situations as **Creative Telefilms; National Steel Car, MacMillan and P.R., Moore Corporation, A. V. Roe, Algoma, Page Hersey, Massey-Ferguson,** mining stock, gas and oil stock, bank stock and so on.

OUR WEEKLY COMMENTARY on Canadian stocks and the market—eight pages of *full discussion* on selected securities; specific instructions advising when to buy, when to sell and when to place protective stop-loss orders; latest corporate developments in Industrial, Gas-Oil and Mining companies; front-page analysis of current economic, political, national and international events as they relate specifically to the stock market.

ADD TO THIS, surprise packages in the mail from time to time—a copy of **Mining-Petroleum Market Manual,** perhaps, or a series of essays on successful stock market practices, how to read a geologist's report, this year's sleepers, what you should know about base metals and so forth.

All in all, the foregoing represents a variety of communications designed to cover everything from fast-breaking action to general background information. Expensive? 60-day trial is only $5 ($5.50 airmail); annual subscription, $45—a program, we believe you'll agree, that no serious investor should be without, especially in this kind of a market during such rapidly changing world conditions. Our address is THE CANADIAN FORECASTER, 238 Adelaide Street West, Toronto. Write us today.

Bulolo Output Higher in Year

Bulolo Gold Dredging had an estimated net profit of $470,000 in the year ended May 31, 1960 from its New Guinea operations, J. C. Tarbuck, secretary, says in a production report.

Output was $799,365 (gold at $35 U. S. oz.), up from $713,300 with 22,839 oz. produced from 5,726,623 yd. dredged and sluiced.

The company produced 20,380 oz. from 4,903,098 yd. in the previous year. Value per yard was 13.96c, down from 14.54c.

Increase in gross value reflects increased yardage handled by Dredge No. 5 and increased throughput at the Widubosh sluicing operation.

Bulolo previously reported receiving dividends of $405,100 from **Commonwealth-New Guinea Timbers** and **Placer Development.**

Algoma Central Earns 81c in Half

Net profit of **Algoma Central & Hudson Bay Railway Co.** for the first six months of 1960 was $462,212, down 14% from first-half 1959.

Earnings equaled 81c per common share ($1.08 in January-June last year), and $5.80 per 6% $50 par preferred share ($6.73).

Operating revenues rose by 1% to $5,265,008. Higher labor costs and "changes in traffic due to the present fluctuations in the steel industry" boosted operating expenses (including depreciation allowance) by 3% to $4,039,417.

Results are contained in the first interim earnings statement published by Algoma Central.

LEITCH OUTPUT

Production at **Leitch Gold Mines** in the first half of 1960 totaled $637,697 from 16,229 tons milled for a recovery per ton of $39.29.

Here's Picture Little Long Lac Group

Here are operating results for the first half of 1960 for gold-producing members of the **Little Long Lac** group of mining companies.

The profits from gold operations are before providing for depreciation charges and taxes, and include estimated payments by the government under the Emergency Gold Mining Assistance Act.

MACLEOD - COCKSHUTT increased its operating profit before depreciation and taxes to $254,636 in the first half of 1960 from $198,267 in the first half of 1959. Operating profit in the second quarter was $125,819. Second quarter rate was 1,940.

	First Half 1960	First Half 1959
Tons milled	351,132	348,408
Oz. gold	36,665	33,132
Value less marketing	$1,230,148	$1,111,540
Cost-aid	105,334	150,981
Operating costs	1,080,846	1,064,254
Operating profit	254,636	198,267

EAST MALARTIC MINES reports an operating profit before taxes and depreciation of $254,701 in the first half, down from $300,346. Second quarter operating profit was $132,655.

	First Half 1960	First Half 1959
Tons milled	273,295	272,303
Oz. gold	55,916	54,735
Value after market.	$1,878,550	$1,841,240
Cost-aid	26,660	154,353
Operating costs	1,650,508	1,695,248
Operating profit	254,701	300,346

LAKE SHORE MINES operating profit of $38,464 in the first half of 1960 reflects electrical difficulties from Feb. 12 to March 12 when below-normal tonnage was handled the report says. For the second quarter, with milling rate back up to 505 tons daily from an average of 465 for the six months (512 in first half of 1959), operating profit was $81,017.

	First Half 1960	First Half 1959
Tons milled	84,656	92,658
Oz. gold	31,209	34,555
Value after marketing expense	$1,058,607	$1,169,194
Cost-aid	236,000	206,000
Operating costs	1,256,143	1,278,289
Operating profit (before deprec., taxes)	38,464	96,905

MALARTIC GOLD FIELDS operating profit slipped to $215,842 in the first half from $330,913 in the same period last year. Operating profit in the second quarter was $100,680. The Malartic area gold producer handled 1,203 tons daily, in the second half with second quarter output at 1,114 tons daily. In the first half of 1959, the mill treated 1,730 tons daily.

	First Half 1960	First Half 1959
Tons milled	218,904	313,205
Oz. gold	36,265	51,977
Value after marketing	$1,215,096	$1,743,511
Cost-aid	132,880	176,680
Operating expenses	1,132,134	1,589,278
Operating profit	215,842	330,913

BARNAT MINES operating profit at $110,296 is up sharply from $7,090 in the first half of 1959. In the second quarter, operating profit totaled $105,722. The company notes that of the 199,169 tons milled, 84,045 tons were treated at Malartic Gold Fields. Average treated per day was up at 1,094 tons from 565 with second quarter average at 1,215 tons.

	First Half 1960	First Half 1959
Tons milled	199,169	102,319
Oz. gold	29,738	18,920
Value after marketing	$1,000,768	$636,980
Cost-aid	175,850	194,413
Operating costs	1,066,322	838,484
Operating profit	110,296	7,090

WRIGHT - HARGREAVES MINES had an operating profit of $117,430 in the first half of 1960, up slightly from $112,969 in the same period last year. In the second quarter, operating profit was $31,144. The mill handled 451 tons daily, down from 467 tons in the first half of 1959. In the second quarter, tonnage treated ran 450 daily.

	First Half 1960	First Half 1959
Tons milled	82,153	84,490
Oz. gold	31,954	33,625
Value after marketing	$1,077,088	$1,133,458
Cost-aid	140,000	150,000
Operating costs	1,099,658	1,170,489
Operating profit	117,430	112,969

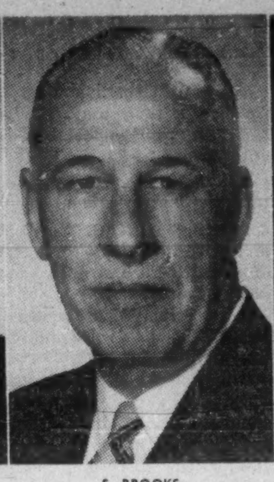
NORLARTIC MINES started shipping ore June 1959. Average daily tonnage handled rose to 483 from 359 in the brief 1959 period. Operating profit was $65,906.

	First Half 1960	First Half 1959
Tons milled	64,907	14,481
Oz. gold	8,997	1,312
Value after marketing	$301,922	$43,629
Cost-aid	92,450	13,490
Operating costs	328,466	51,861
Operating profit before taxes, depr.	65,906	5,258

ANNOUNCEMENT

HARRISONS & CROSFIELD (CANADA) LTD. APPOINTMENTS

J. E. VAN BUSKIRK



S. BROOKS

W. R. S. FRASER

A. P. LeRICHE

Mr. Havard J. Williams, Chairman of Harrisons & Crosfield (Canada) Ltd., announces that, effective July 1, 1960, the following officers have been appointed: President—Mr. J. E. Van Buskirk; Vice-President—Administration—Mr. S. Brooks; Vice-President—Western Branches—Mr. W. R. S. Fraser; Secretary-Treasurer—Mr. A. P. LeRiche. Mr. Van Buskirk is also a Director of Dillons Chemical Co. Ltd., Highland Creek Sand & Gravel Co. Ltd., Midland Gravel Co. (Canada) Ltd., Gravel Investments Ltd. and Fine Chemicals of Canada Limited. Mr. Brooks is a Director of Dillons Chemical Co. Ltd., H & C Equipment Co. Ltd., Highland Creek Sand & Gravel Co. Ltd., Midland Gravel Co. (Canada) Ltd., Gravel Investments Ltd. and is Secretary-Treasurer of Harrisons & Crosfield (America) Inc. Mr. Fraser is a Director of Beaver Soaps Limited and Mr. LeRiche was formerly Assistant Secretary-Treasurer of the Company.

Maritimes Mining Profit Lower

An operating profit of $945,537 is estimated for **Maritimes Mining Corp.** in the first half of 1960. This is based on copper at 28c lb. and compares with $983,904 in the same period last year.

The operating profit does not include a gain of $57,195 to May 31 on smelter settlements received covering 1959 production. Smelter returns in June covering concentrate treated in February were at a rate of 30.165c lb. copper and $34.65 oz. gold.

Milling rate is 2,030 tons daily, with operating costs per ton at $3.52 in the first six months. Maritimes' Tilt Cove mine produced 11,678,300 lb. copper, down from 12,353,300 lb. produced in the first half of 1959.

Sinking of the shaft to the 1,962 ft. level was completed in May and drifting has started on some of the new levels, M. J. Boylen, president, reports.

YOUR PLYMOUTH DEALER IS SUMMER DEALING!

There's a new and delightful feeling spreading through the city this week. Name: *Plymouth Fever.* Reason: Your Plymouth Dealer is making such fabulously attractive deals on brand-new 1960 Plymouths that this car of cars is well-nigh irresistible!

All models! All colours! Here are four-doors . . . two-doors . . . great new Plymouth wagons—Economy Slant Sixes and Eights, at buy-'em-for-a-song prices!

Easy-to-buy! Chances are your present car will handle the down payment . . . with monthly payments built to your budget. So stop in today and talk summer-deal with the closest Plymouth man!

"Mobilgas Economy Winner 1957-58-59-60"

ACT AT ONCE!

SEE YOUR LOCAL PLYMOUTH DEALER TODAY!

European Roundup

'See Real Danger' For German Stocks

By ERNEST WAENGLER

INVESTORS in West Germany are having second thoughts about the new foreign interest in German stocks.

Many brokers in Canada and the U. S. have lately been selling large quantities of West German blue chips on the assumption that the German economy is growing at twice the rate here and based on extremely favorable earnings ratios.

Rumors about an upward revaluation of the mark are another factor.

Chemicals and electric appliances are reported to be the favorites.

Many German industrial stocks are now selling for five to eight times as much as three years ago, some for more.

In April and May of this year, some advanced by 20%-30% within two weeks, mostly as a result of foreign buying.

In June and July, some dropped by 25 points and more.

German market specialists blame heavy sales by foreigners who wanted to take fast profits or became worried about political events.

While most economists welcome foreign participation in the "German economic miracle", they see a real danger in the influence of jittery overseas investors.

They point out that German industry has now 27% more orders than a year ago, but that its ability to expand accordingly is limited by labor shortages and delays in delivery of equipment.

Such dislocations, they fear, may cause foreign investors to turn their backs on German stocks just as quickly as they jumped in earlier this year.

This would raise the question whether German investors are able and willing to absorb the stocks dropped by foreigners and whether they will do it fast enough to prevent a market collapse.

* * *

IN THE FIRST four months of this year, West German imports from the Soviet block jumped 13%, from $102 million last year to $116 million this year.

In the same period, West German exports to the communist countries increased 60%, from $90 million to $144 million.

The greatest import increase was from Russia, Red China and Rumania. Exports increased most to Hungary and Russia.

German trade experts think that the large increase in exports is due to heavy deliveries of capital goods which were ordered over two years ago and have taken considerable time to fill.

* * *

RUSSIA has greatly increased the capacity of its chemical industries which are to play a key role in the trade offensive against the West.

New plants opened last year for the production of synthetic fibres have five times the capacity of those added in 1958, new production of caustic soda six times, of synthetic ammonia five times and of tires twice.

Capital investment in the Soviet chemical industry increased from $750 million in May 1958 to $1,500 million in May 1959 to $2,600 million in May 1960.

By 1965, Russia will have built 140 new chemical plants and expanded 130 existing factories.

* * *

SPAIN is considering a series of new liberalization measures in its foreign trade, according to a recent statement by the Spanish Foreign Minister during a visit in London.

The minister also pointed to "an increase in favorable possibilities for long term investment in Spain" and said that some of the larger Spanish companies are planning to list their stock on foreign stock exchanges and to place bond issues in foreign markets.

To Canada, any improvement in the Spanish attitude to foreign investors is of more than passing interest.

Assets valued at some $150 million of **Barcelona Traction Co.**, a largely Canadian-owned firm, were seized by Spain and sold at auction in 1952 with shareholders' compensation claims still pending.

* * *

A DRASTIC revision of the new Polish Five-Year Plan will mean the Poles must wait still longer for an improvement in their living standards which are among Europe's lowest.

An amount of $7 billion, which was to be invested in the consumer goods industries, is being diverted to heavy industry and agriculture, according to a recent government announcement.

* * *

WEST GERMANY's problem of labor shortages will be aggravated by a decision of the metal workers' union to reduce the present 44 hour work week to 40 hours.

The reduction will be gradual over a period of five years.

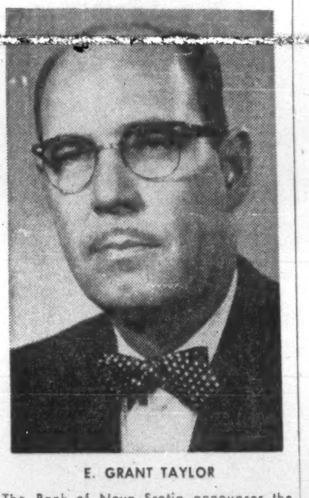
Wages in all companies that have not concluded new contracts this year are being increased by 8.5%. Newly negotiated wages are to be raised another 5% next year.

Economic Minister Erhard described it as "incomprehensible" that unions should have chosen this time for a reduction in working hours which will make Germany unable to take advantage of its great opportunities in world markets.

To Canadian exporters fighting German competition this may mean an unexpected break by bringing production costs into closer harmony.

ANNOUNCEMENT

BNS APPOINTMENT



E. GRANT TAYLOR

The Bank of Nova Scotia announces the appointment of Mr. E. G. Taylor, formerly manager of Winnipeg main office, as a supervisor in charge of Western Credits, at the bank's general office in Toronto.

ANNOUNCEMENT

FRASER COS. APPOINTMENT

A. T. EASLEY

A. T. Easley has been appointed Manager—Marketing of Fraser Companies, Limited, and its subsidiary, Fraser Paper, Limited, Edmundston, N.B., according to an announcement by K. W. Matheson, Vice-President. In this position Mr. Easley will have jurisdiction over sales of the company's pulp, paper, and paperboard.

A native of Chicago, Ill., Mr. Easley was Eastern Division Production Manager of International Milling Co., and in charge of four northern New York mills of St. Regis Paper Co. He was first Resident Manager of the sulphate pulp-mill of North Western Pulp & Power Ltd., at Hinton, Alberta. In 1958 Mr. Easley joined Fraser Companies, Limited, as Assistant to the General Manager, the position he held prior to his new appointment.

Canadian Firm Challenges U.K., U.S. X-Ray Makers

A small Canadian firm has invaded a field that has been the preserve of imports—X-Ray equipment.

Pritchard X-Ray Manufacturing Ltd., Willowdale, Ont., is competing with U. S., U. K. and European firms for a share of a multi-million dollar market in Canada.

J. B. Pritchard organized the firm in 1956 as a sales and service organization only.

The line of U. S. manufactured X-Ray equipment was incomplete, so Pritchard designed and built the necessary piece of equipment — a ceiling mounted tube crane.

PRITCHARD

This was installed in two large Toronto hospitals and a private clinic.

When the U. S. line was turned over to another Canadian distributor, Pritchard designed and built equipment to permit the installation of complete diagnostic facilities.

The firm recently got its first order for all the equipment in a hospital X-Ray room.

"From the outset our intention has been to produce equipment that could not be described as a copy of U. S. or European design," he said.

"As a result, we have had enquiries from the U. S., England and Australia about export dealerships in these countries.

"It is our intention to deal abroad with established firms but to handle U. S. sales through our own sales organization."

Pritchard says his firm's gastric table, shown at a recent Canadian radiological convention, incorporates features that put it well ahead of imported tables.

He found at this convention that a large U. S. manufacturer was in the design stage with a similar gastric table.

The firm employs only four full-time employees, but the heavy machinery part of the equipment is sub-contracted.

Pritchard plans to diversify his product line into the industrial field.

His firm already makes a selective paging system now in use in some Toronto supermarkets and Pritchard is working on a timer for welding equipment.

Where Will Miron Brothers Invest Their $50 Million?

MONTREAL (Staff) — Now that Quebec's amazing Miron brothers have parlayed $7 into $50 million, where will they invest their money?

This was the week's hottest question in Montreal's investment community, following long-awaited confirmation (**FP**, June 11) that the huge **Miron et Frères** construction products group had been sold to Belgian interests for a reported $50 million.

The buyer: **Cimenteries et Briqueteries Réunies**, a member of the **Société Générale de Belgique** group. Another member: **Sogémines Ltd.**, which has broad Canadian investment and/or management interests in such fields as cement, mining, glass, chemicals, steel, oil and gas.

Another question: What changes are the Belgians planning for Miron, other than a new name — **Miron Co.** — plus the possibility of inviting investment by Canadians at some future date?

It's understood shares in Miron Co. may be offered to the Canadian public within the next three months.

According to Belgian reports the purchase price is divided, $20 million cash, $10 million in short-term interest-bearing bonds, and $20 million in longer term non-interest bonds repayable in annual installments.

Legend has it that the six Miron brothers started in 1920 with a team of horses, a scoop shovel and $7 in capital.

They built a collection of companies producing and distributing concrete, sand, lime, crushed stone, asphalt and concrete products, engaging in street construction and general concrete work and owning a brand new cement plant.

It's believed that the cement plant was one of the great attractions for the Belgian purchaser, which has large cement interests in Europe.

ROSENBERG, SMITH, WALSH & KROLL

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Imperial Earns 97c a Share In First Half

Earnings of **Imperial Oil Ltd.** for the first six months of 1960 are estimated at $30,686,000, or 97c a share.

This compares with earnings of 74c a share in the first half of 1959 and 99c a share in the second half of last year.

Continuing improvements in operating efficiency and higher product sales, particularly of motor fuel and petrochemicals, are factors in the increase, W. O. Twaits, president, reports.

[illegible] crease in earnings in first half of this year Twaits noted certain unusual factors, such as inventory losses, had adversely affected earnings during the first half of last year.

Imperial's crude oil production this year showed only a modest increase, because under Alberta's prorationing system the company has not shared proportionately in the increase of more than 8% in Western Canada's crude oil output.

Production from the company's nine refineries rose by 6,000 b/d.

Expenditures of $26,890,000 in new plant and equipment were also above those of the same period last year.

Consumers' Sales Up 25%

Gas sales of **Consumers' Gas Co.** for the nine months to June 30, 1960, were up 25.3% at 31,728,664 mcf.

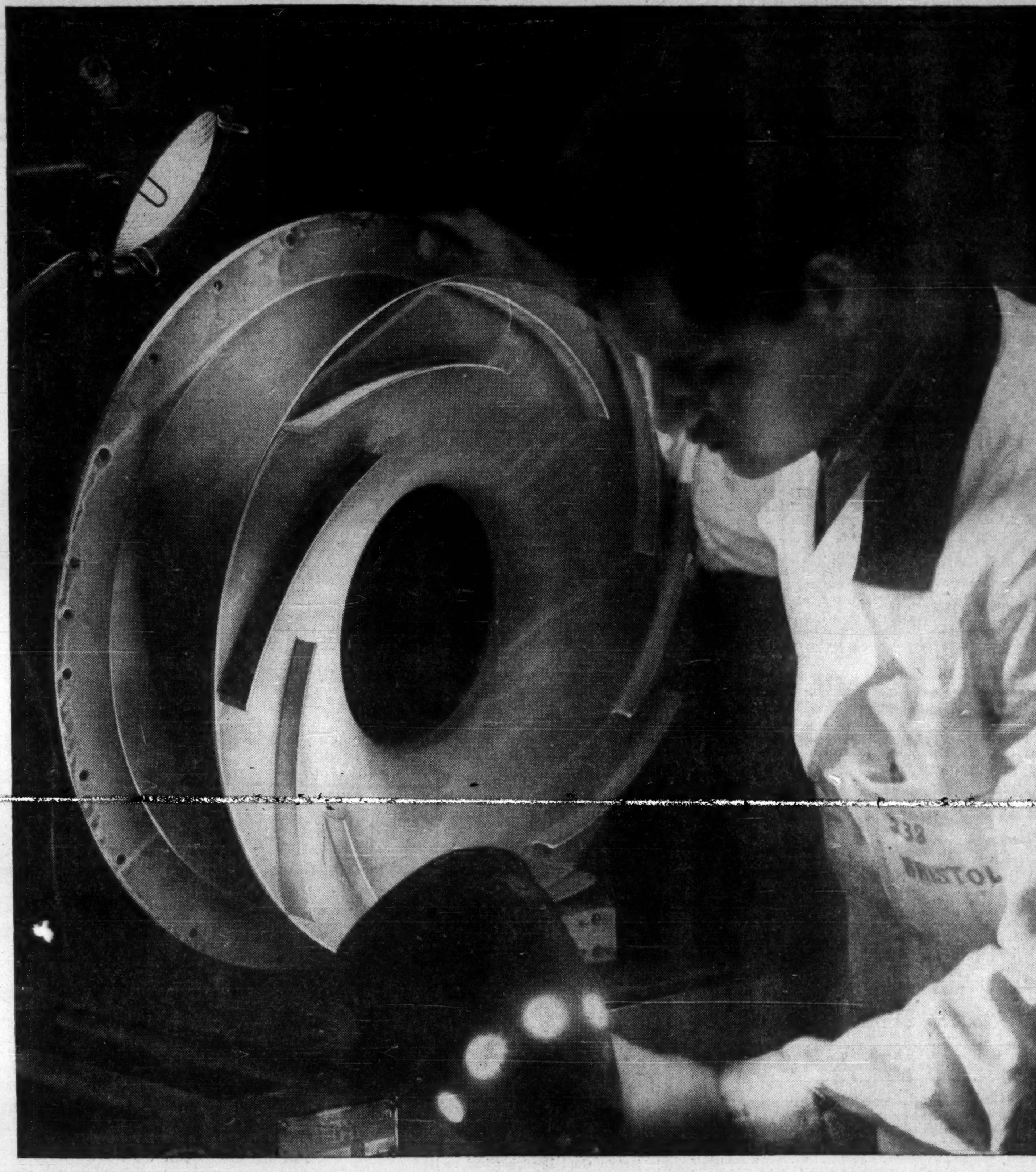
This reflected a good heating winter and continued gain in commercial and industrial sales.

The gain was all the more impressive since the fall-off in new housing starts has materially reduced sales from this source of anticipated growth, vice-president and general manager Oakah L. Jones told a special shareholders' meeting this week.

"Revenue and expense figures are not available at this interim period, but it is the opinion of your management that net income for 1960 will show satisfactory improvement over 1959," Mr. Jones stated.

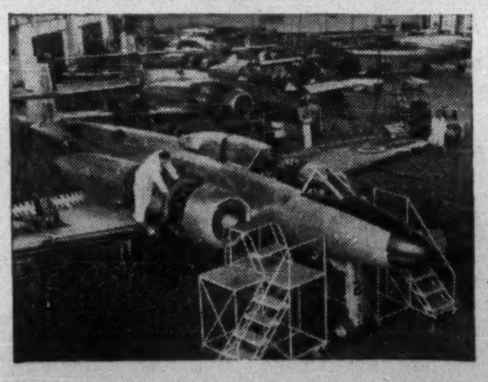
As of June 30, 1960, company had connected to its gas lines 259,468 customers as compared with 249,764 on same date a year ago.

The shareholders' meeting approved the three-for-one stock split and certain bylaw changes.

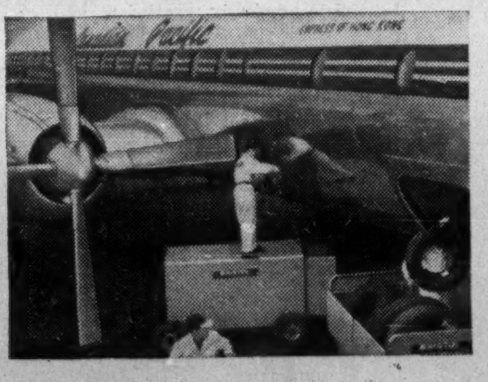


Zyglo ... master detective!

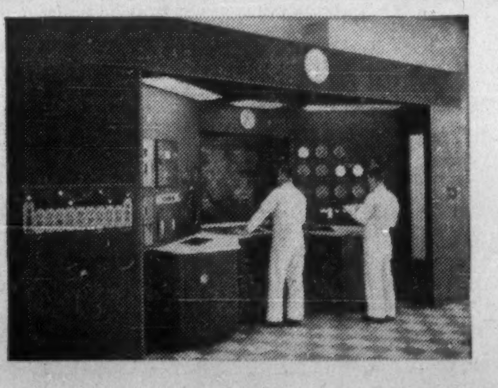
IN MONTREAL, *the hidden flaw* in this apparently perfect engine part is exposed by special Zyglo ultra-violet equipment; a high standard in maintenance constant through approximately 10,000 parts in a single engine. It has contributed to the establishment of an exceptional 2,100 hours between overhauls for the 3350 turbo-compound engines overhauled by Bristol's Montreal North plant and typifies its operation from coast to coast in Canada and throughout the world.



IN WINNIPEG, a Bristol division is engaged in aircraft repair and overhaul for single aircraft or fleets. It also undertakes components manufacture for aeroplanes, missiles and complete radar systems.



IN TORONTO, Bristol's latest Aviation Services Division links similar divisions in Montreal and Winnipeg to provide complete ground handling and maintenance services for airlines and fleet operators.



IN VANCOUVER, another fully equipped engine overhaul plant has the largest and most modern test cells in Canada. They are used for the testing of turboprop engines before and after repair and overhaul.

BRISTOL AERO-INDUSTRIES LIMITED
MONTREAL TORONTO WINNIPEG VANCOUVER
A SUBSIDIARY OF THE BRISTOL AEROPLANE COMPANY OF CANADA LIMITED